

Workforce North

The Road to Workforce Development in
Northern New Mexico

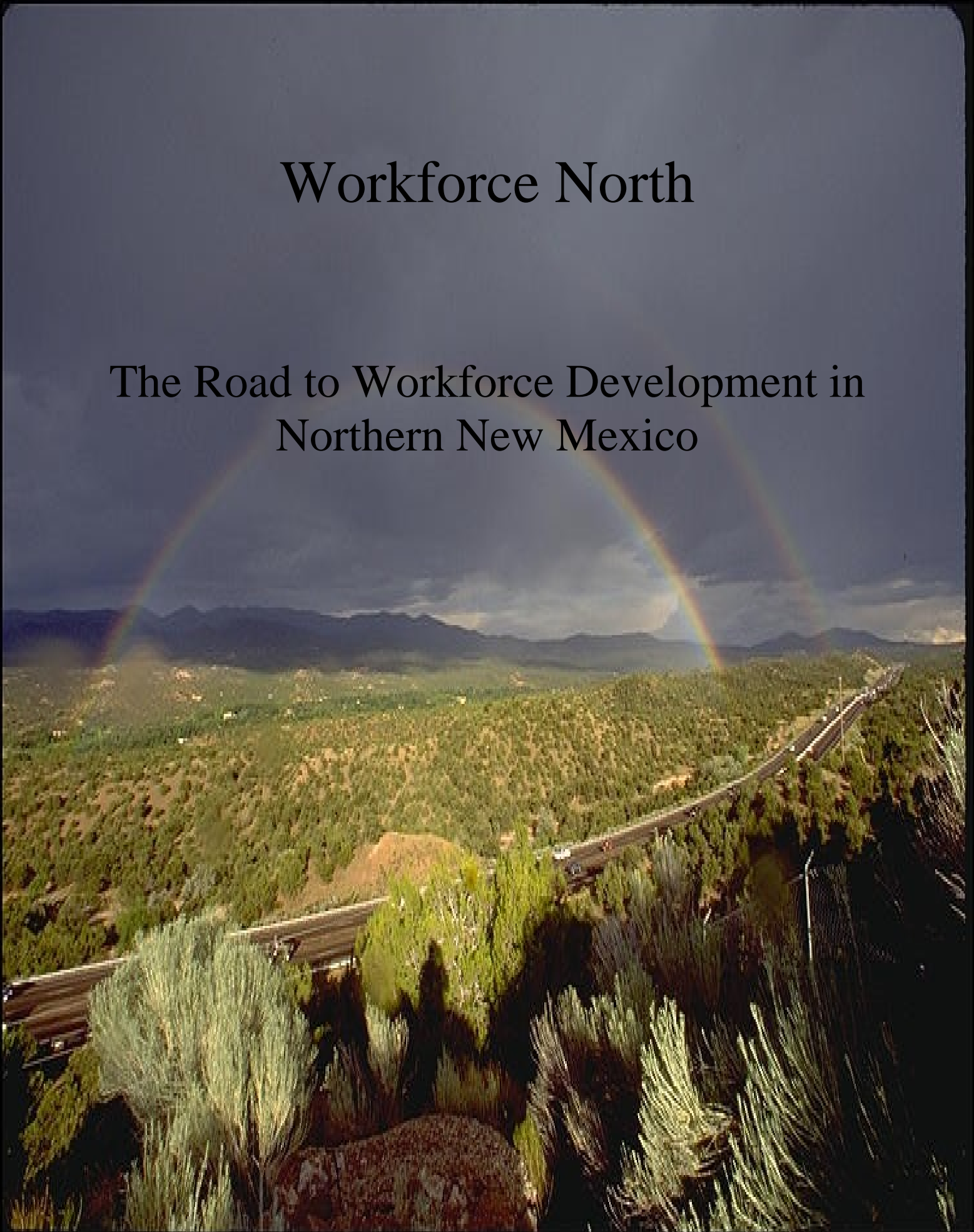


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The following report is an effort to look ahead for the next two to three years and predict job creation and related work-force development needs in the northern New Mexico counties of Santa Fe, Rio Arriba, Taos, and Los Alamos. The report was prepared by Joel Harvey of the University of California Northern New Mexico (UCNNM) Office as part of the Office's engagement in regional economic development initiatives in northern New Mexico. Preparation and production of the report were overseen by Chuck Pacheco of the UCNNM Office. The report presents the results of interviews and research Harvey conducted during the third and fourth quarters of calendar year 2004. The study had its genesis in a series of community forums in which participants from the four counties expressed the view that job creation and associated work force skills were among the most important issues facing northern New Mexico.

The document is not, and was not intended to be, an exhaustive or definitive examination of the subject. It represents the views of regional economic development practitioners, business people, community planners, economic development organizations, and local and state government employees. While there are some commonly held views and consensus about issues, there is also considerable diversity among the views held by those interviewed. Conclusions and recommendations are included near the end of the document.

It is hoped that the information contained herein will be of interest to all involved in understanding the job creation and work-force issues facing northern New Mexico. Additionally, the data should serve as a departure point for those interested in related or more detailed investigation.

The UCNNM Office's engagement in regional work-force issues is ongoing and we welcome your comments about this document. Please forward comments to Chuck Pacheco, University of California Northern New Mexico Office, 1350 Central Avenue, Suite 101, Los Alamos, New Mexico 87544. **Telephone** (505) 667-1217 **Fax** (505) 667-3111 **email** cpacheco@lanl.gov

Introduction

Goal

The goal of this project is to foster quality¹ private-sector job creation in Los Alamos, Rio Arriba, Santa Fe and Taos Counties in the near-term.

How

By understanding the business/economic climate in terms of sociodemographics, labor force, industrial composition, regional resources, economic opportunities and development momentum in Los Alamos, Rio Arriba, Santa Fe and Taos Counties.

This will help key decision makers within the region understand where quality jobs are being created, or where there is a strong potential for quality job creation in the short term.

Finally, this will assist key decision makers in determining how to optimize the use of finite resources to support and/or foster business growth that leads to the creation of quality jobs within the region. The findings will also be used to inform workforce development activities in the region.

Objectives

1. Profile and analyze the Northern New Mexico region in terms of Sociodemographics, Labor Force, Labor Market and Economic Composition

2. Segment and model the regional job market by County using the following dimensions:

- High/medium/low growth jobs and occupations by industry (NAICS Codes)
- High/medium/low paying jobs and occupations by industry (NAICS Codes)

3. Use data and in-depth, personal interviews with Economic Development Organization (EDOs) leaders and other community developers and planners to identify a) all areas where substantial job growth is expected over the next three years, b) areas where there is untapped business opportunity or unmet demand, and c) to identify Target Industries with the greatest perceived potential for substantial growth of high-quality private sector jobs.

The focus on target industries in no way detracts from the potential of any other industries or clusters within the region. Rather, these are industries that data analysis, expert testimony from informants in the economic/community development and business communities within the region suggest have the greatest potential to affect relatively large scale business prosperity and quality job creation in the nearest term. Criteria for Target Industries, in no specific order, are as follows:

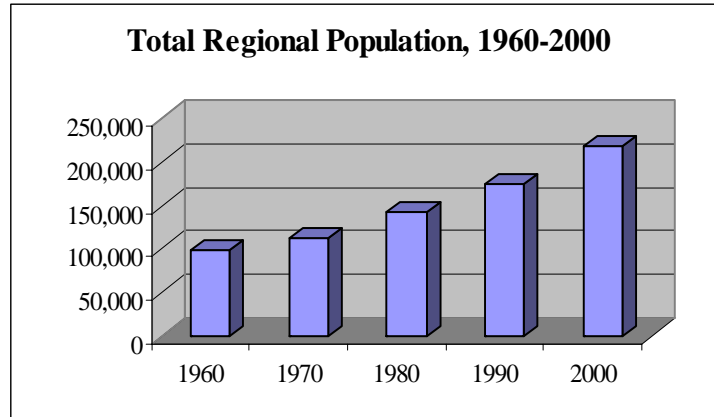
¹ For Purposes of this report, Quality Jobs are defined as jobs that pay a minimum of \$40,000 annually, provide insurance benefits and offer the potential for vertical and/or horizontal upward mobility.

- Pays wealth creation level wages,
 - Already exist or foundations already exist,
 - Aligned with existing community values and attitudes about business activity,
 - Presence of current viable markets outside of the region,
 - Potential for creation of significant numbers of well paying jobs with strong prospects for upward mobility,
 - Low barriers to entry for local workers,
 - Sensitive to regional environmental constraints (clean, low water)
 - Potential for wide variety of jobs (potential employment for the cross-section of skill sets found in the entire regional workforce)
 - Broad positive economic impact
 - Synergistic with other strong and/or emerging sectors and Economic Development initiatives
4. Conduct in-depth interviews with Executives from leading companies in each Target Industry to isolate the perceived opportunities for and impediments to growth and discuss along the lines of:
 - Workforce
 - Infrastructure
 - Politics
 - Other categories communicated by business leaders
 5. Provide an analysis and discussion on what is needed for growth in target industries and in the economy in general with specific recommendations as to the next steps. This will be tied directly to Objectives 1 through 4 and should address:
 - Workforce
 - Infrastructure
 - Politics
 - Marketing
 - Other categories communicated by community and business leaders
 6. Provide finding-driven recommendations for Workforce Training, Workforce Recruitment, Business Development and Business Recruitment initiatives in the region.

Demographic Profile

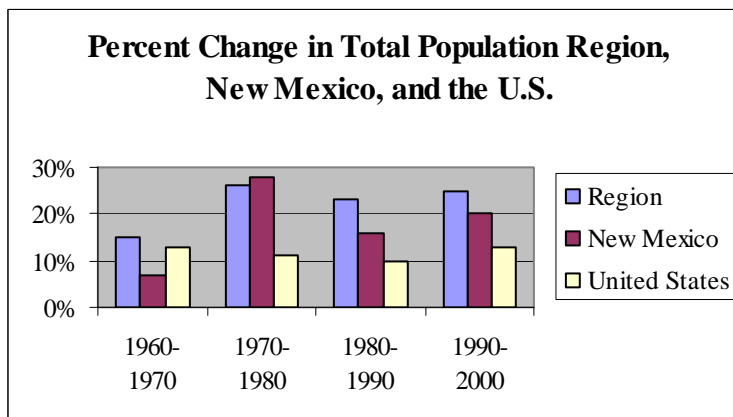
Population

The regional population has grown by an average rate of 22 percent every ten years since 1960. The population grew by only 15 percent from 1960 to 1970, but then grew by 26 percent from 1970 to 1980, 23 percent from 1980 to 1990 and 25 percent from 1990 to 2000. Except for the period from 1970 to 1980, when New Mexico's population growth was slightly higher, the region has grown at a faster pace than both the state and the nation.

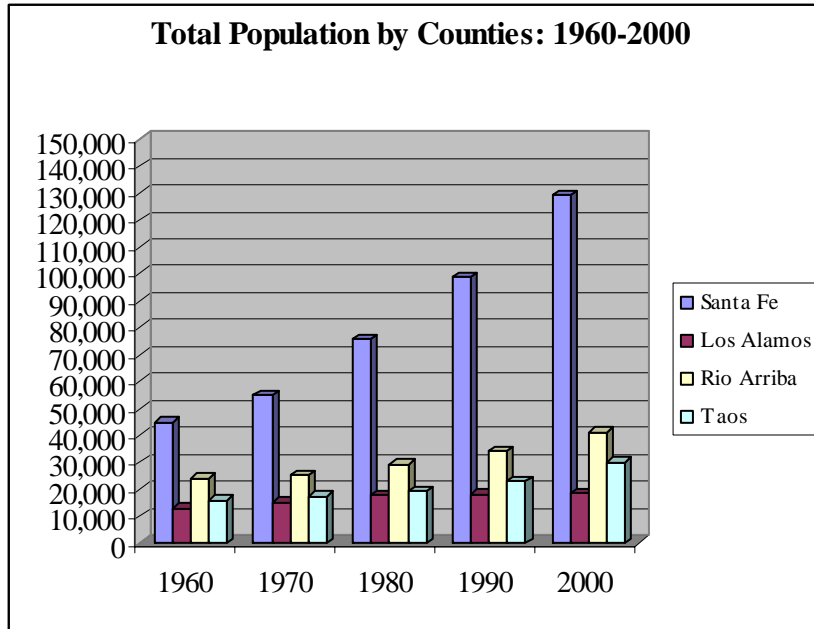


United States Census Bureau, Census 2000

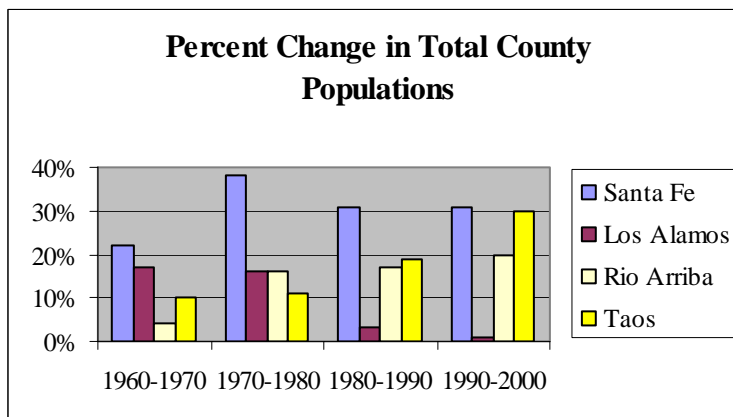
However, the region's high population growth is misleading, as Santa Fe County's remarkably high growth makes the region's growth appear more robust than it is. If Santa Fe County is taken out of the calculations, then the average percentage of regional population growth per decade drops dramatically to just over 13 percent, in line with the national average and slightly less than the state average. The proceeding charts show the total and percentage population growth for each County.



United States Census Bureau, Census 2000



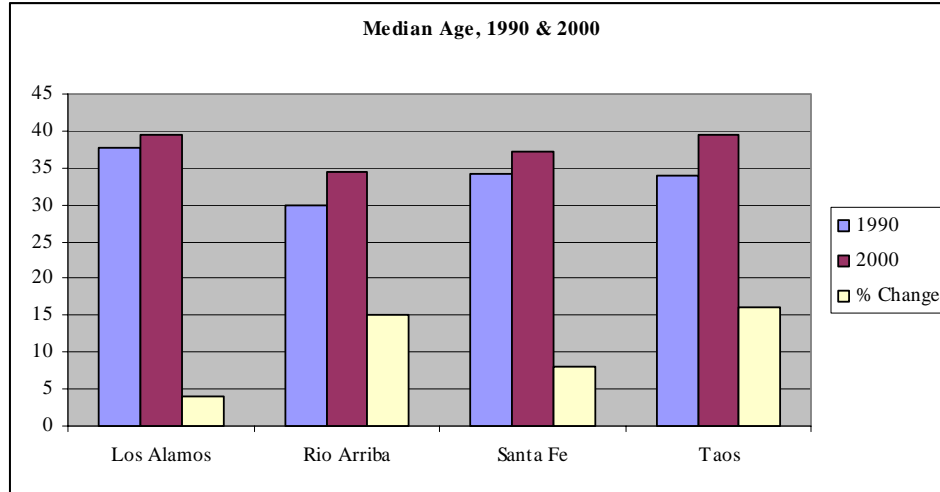
It is interesting to note that Los Alamos County is experiencing a marked and continuous decline in the rate of population growth, while Rio Arriba and Taos Counties have seen population growth rates rise. The growth in each of these Counties from 1990 to 2000 may be explained by different factors in each County. In Taos County, population growth is attributed to the large influx of people moving to the county from outside of the region. Many of these newcomers are a result of “tourism conversion” retirees moving to Taos County from elsewhere.



It is possible that Rio Arriba’s growth is at least partially attributable to high property prices in Los Alamos and Santa Fe Counties. Rio Arriba County, particularly the Espanola area, is continuing to grow as a “bedroom community” for Los Alamos National Laboratory employees.

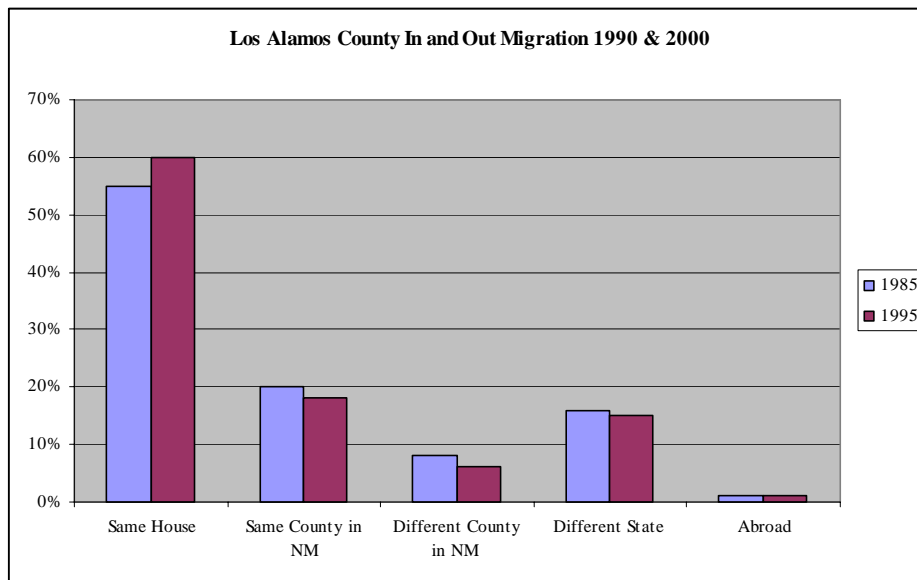
Median Age

Below is a graph showing the median age in each County in 1990 and 2000, as well as the percent change.



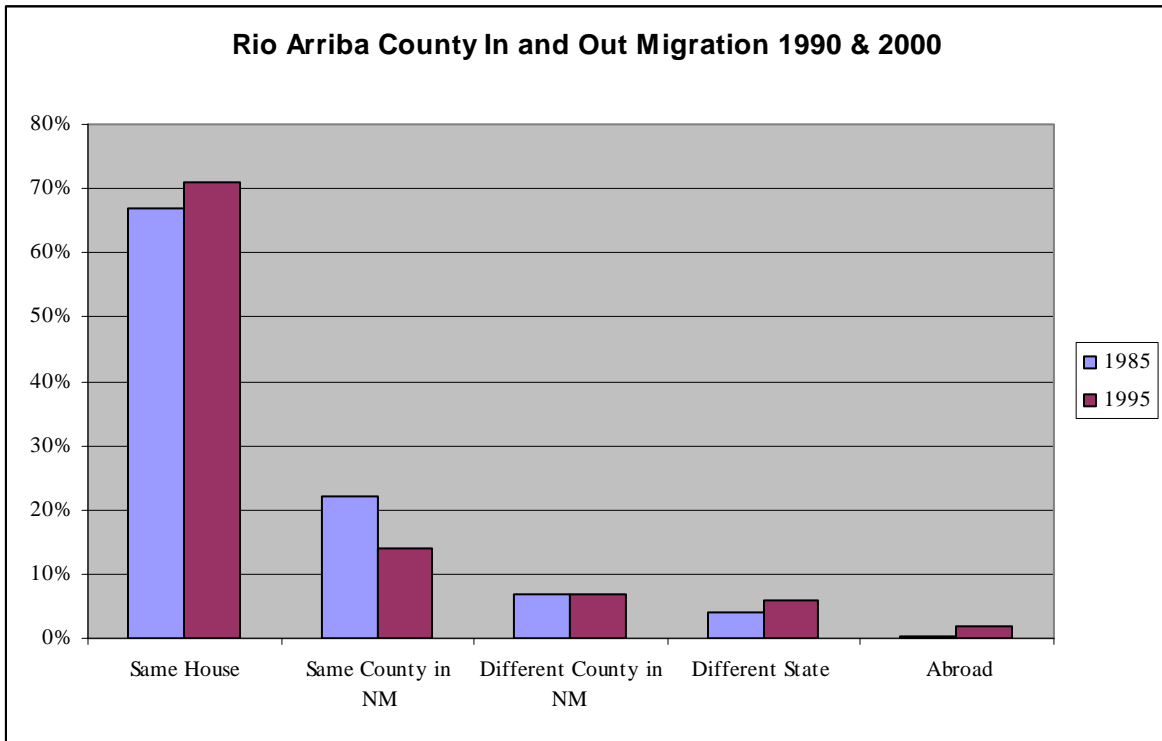
Los Alamos has the highest median age, but the aging rate of the population is slowing compared with the rates of the other Counties. Rio Arriba is the youngest County of the four, but the median age did jump 15% between 1990 and 2000. As the youngest County, Rio Arriba should be considered an important source of future labor availability and growth. Santa Fe County is aging, but at a slower pace than Rio Arriba and Taos Counties. Taos County shows the most remarkable difference in median age from 1990 to 2000, with a 16% growth rate. The County median age went from 33.9 in 1990 to 39.5. This is attributed to a large proportion of people retiring to Taos from other States.

In and Out Migration

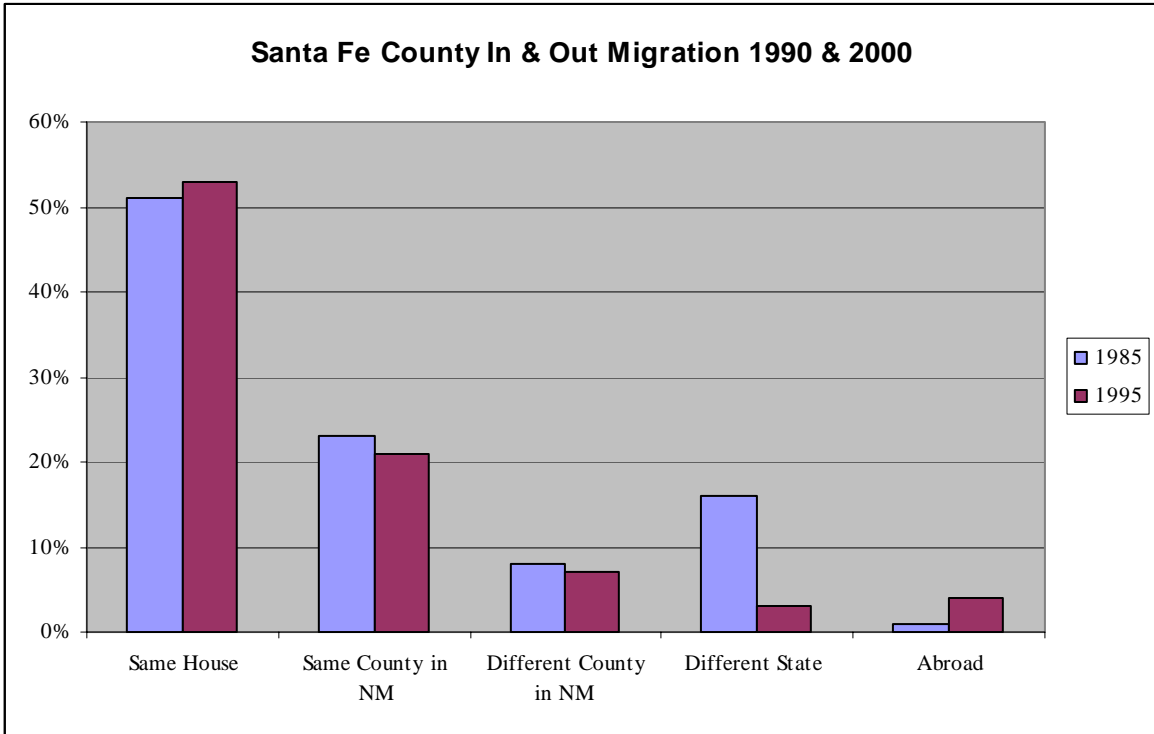


US Census Bureau

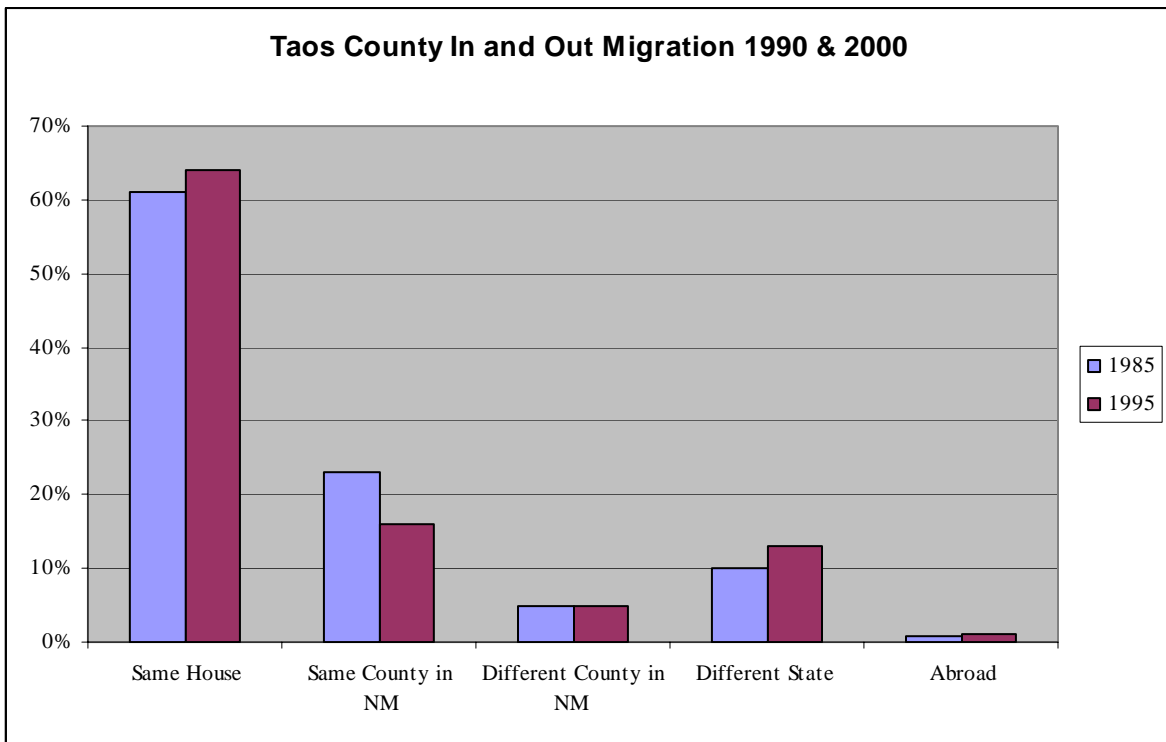
The graphs on the next few pages show where people lived five years previous to each of the past two Census counts (1990 and 2000). In each County, the majority of people lived in the same house.



Rio Arriba has very little in-migration. However, the number of people from abroad are increasing.



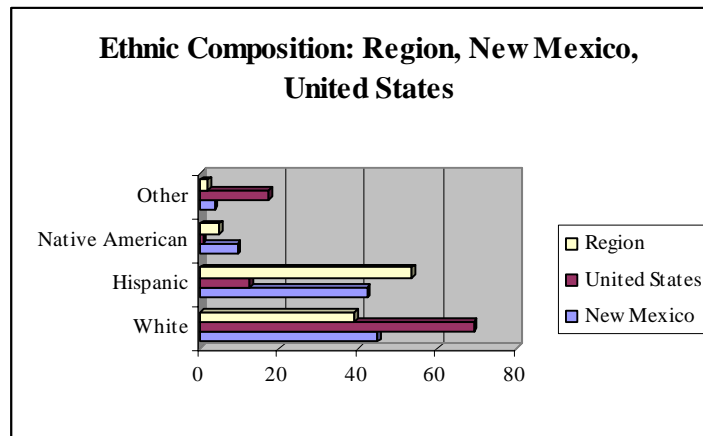
Santa Fe County saw an explosion of residents from other States in the mid-eighties, but immigration from other States has slowed considerably. A new source of growth in Santa Fe County is the rising number of residents from abroad.



The number of residents in Taos from another State continues to rise. This is more evidence of tourism conversion retirees. On a whole, the region’s median age is increasing. This is to be expected as baby boomers age. As a population ages dramatically, the issue of labor availability becomes tantamount. As mentioned previously, Rio Arriba, as the youngest County in the region, must be utilized as a source of labor in the decades ahead. Another implication of the aging population is the growth in products and services used by older consumers. Demand for Health Care services in the region will rise across the board. In places like Taos and Santa Fe, where relatively wealthy are retiring, demand for Construction and Handyman Services, some luxury goods, and Financial Services will surely increase.

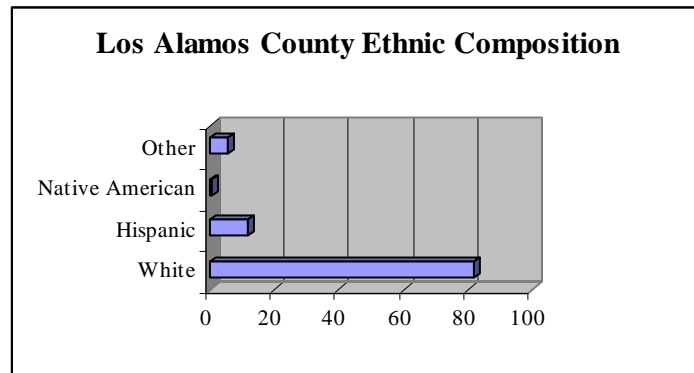
Ethnicity

Hispanics are a sizable majority in terms of the region’s ethnic composition. Whites are second and are followed by Native Americans and people reporting another ethnicity. The region basically mirrors New Mexico in ethnic composition and is disparate from the nation’s. It is important tonote that the median ethnic composition for the region shown in the corresponding chart is not entirely accurate. This is due to the fact that Los Alamos County has a disproportionate percentage of Whites.

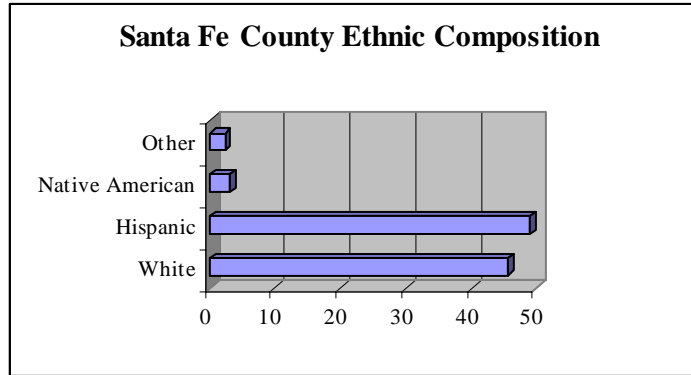


United States Census Bureau, Census 2000

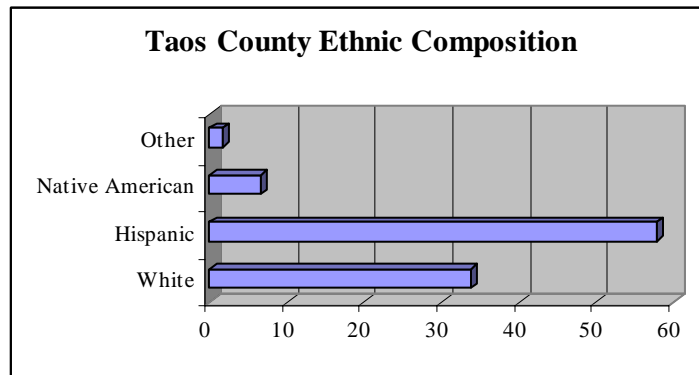
Below are charts showing the ethnic composition of each individual county.



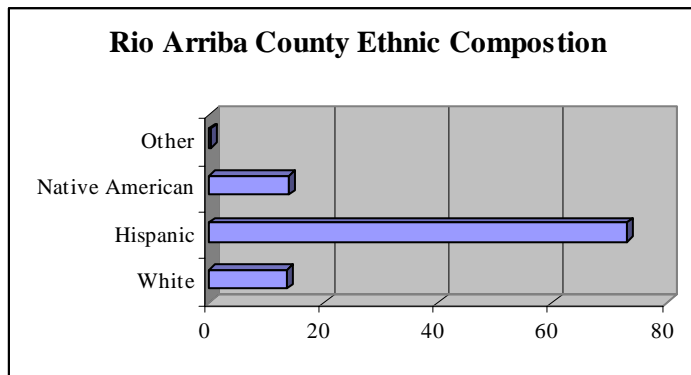
United States Census Bureau, Census 2000



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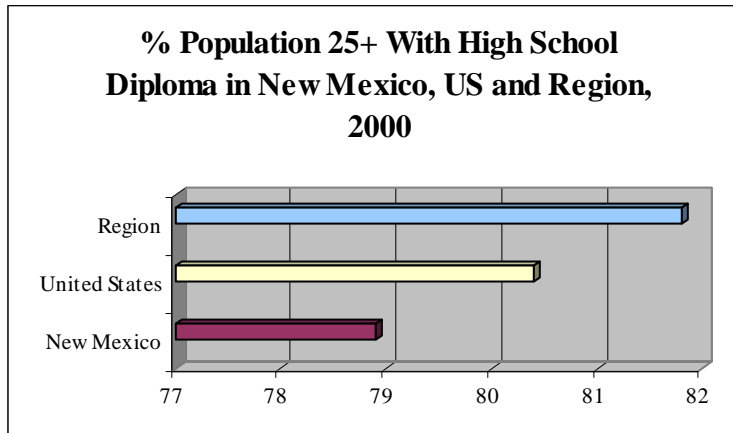


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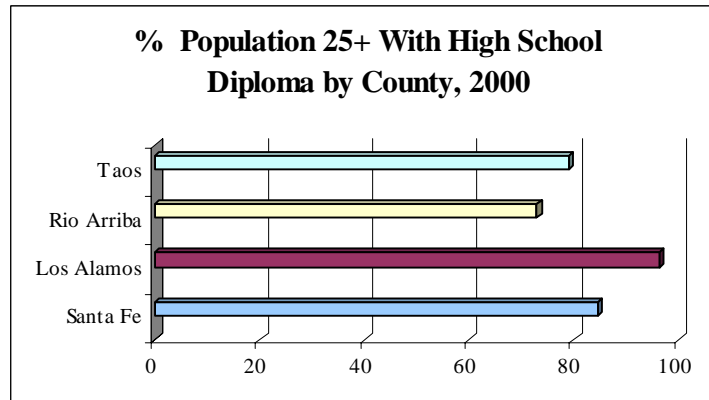
Ethnic composition is important, because we know that Hispanic and Native American high school students are being left behind in our education systems. Hispanic and Native American students typically graduate high school at a rate of about 60%. Work is being done in the region to close the scholastic achievement gap between Hispanic and Native American students and the other groups of students. This work should be supported and all necessary resources marshaled to ensure that it is successful.

Education

In aggregate, the region has a slightly higher high school graduation rate (81.8%) than New Mexico (78.9%) and the United States (80.4%) among members of the population age twenty-five and older. This number is inflated by a statistical outlier- Los Alamos County. As is evident from the chart below, Los Alamos County has a substantially greater high school rate (96.3%) than Santa Fe (84.5%), Rio Arriba (73%), and Taos (79.1%).

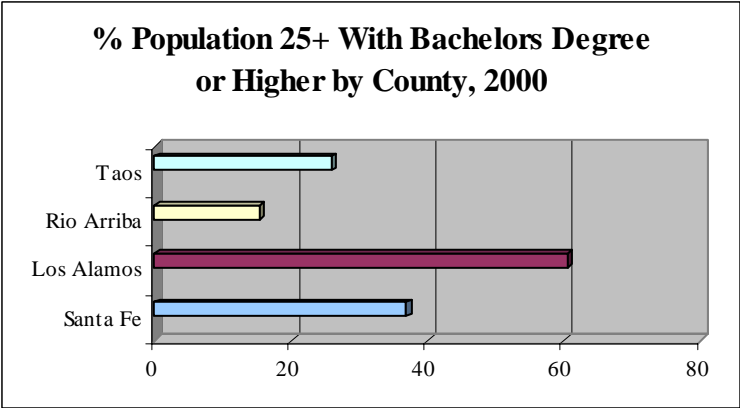


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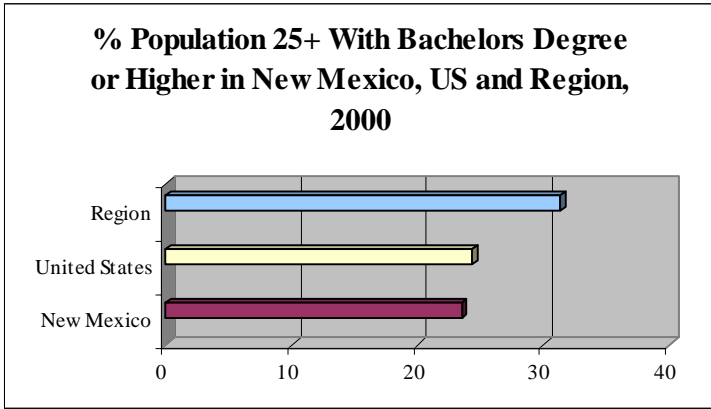


United States Census Bureau, Census 2000

The region has a significantly higher proportion of residents age twenty-five and above holding a Bachelors Degree or higher (31.4%) than New Mexico (23.5%) and the United States (24.4%). Again, this number is inflated by Los Alamos County. As is evident from the chart below, Los Alamos County has a substantially greater percentage of residents age twenty-five and above holding a Bachelors Degree or higher rate (60.5%) than Santa Fe (36.9%), Rio Arriba (15.4%) or Taos (25.9%).



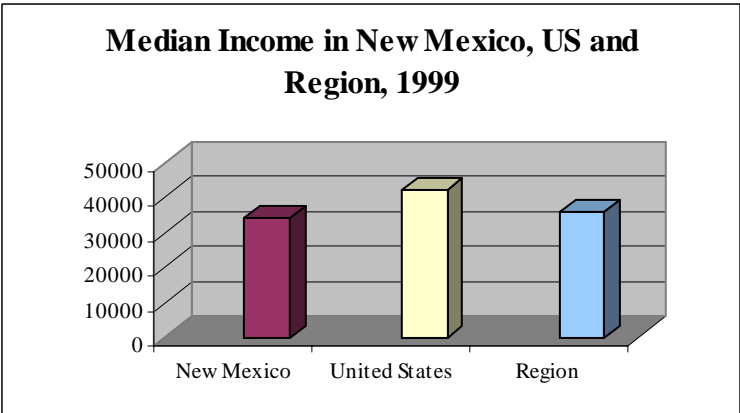
United States Census Bureau, Census 2000



United States Census Bureau, Census 2000

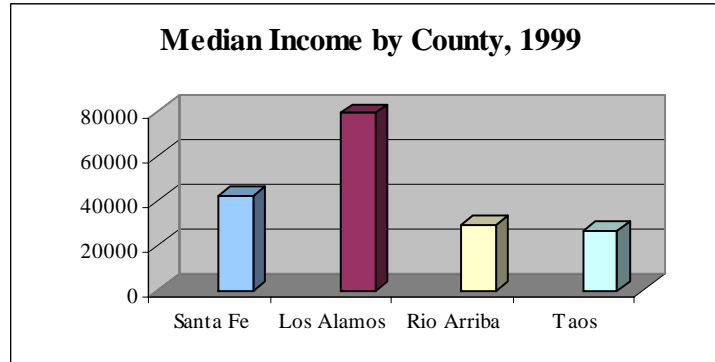
Income

The region's median household income was roughly the same as New Mexico's and significantly lower than the United State's. However, if Los Alamos County is removed from the calculation, then the region's median income is dramatically lower.



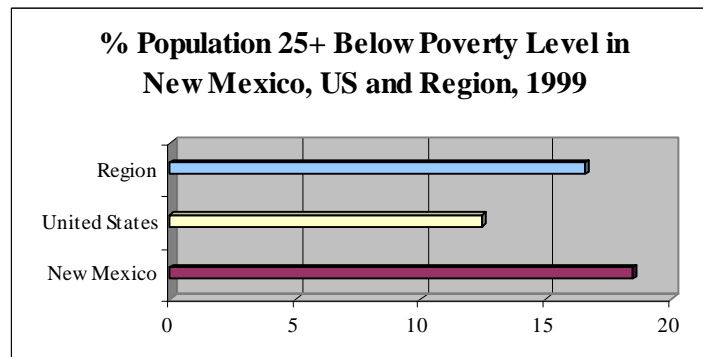
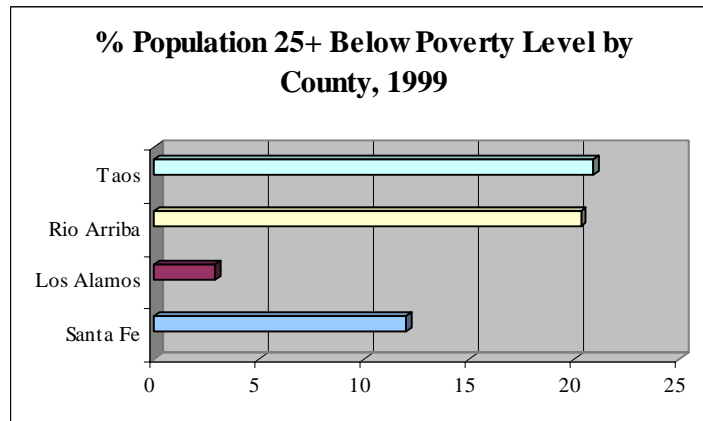
United States Census Bureau, Census 2000

It is clear from the chart below that Los Alamos County has a median income almost double that of Santa Fe County and almost triple that of Rio Arriba and Taos Counties. Santa Fe County has a median income higher than the state and just below the nation. On the other hand, Rio Arriba and Taos Counties have median incomes significantly lower than that of the state and the nation.



United States Census Bureau, Census 2000

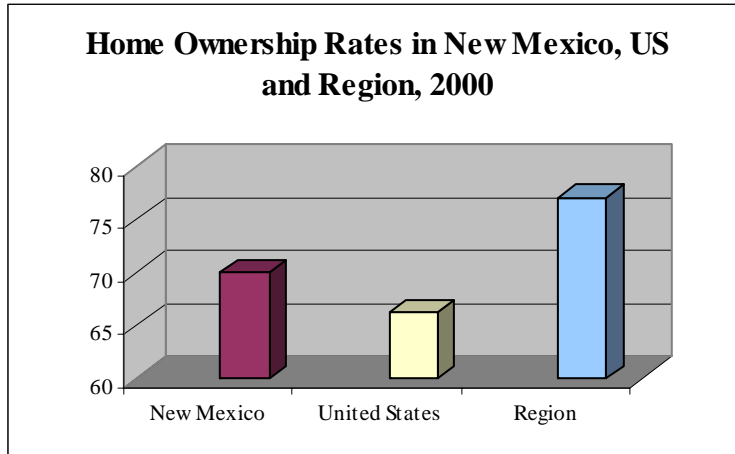
Naturally, these median incomes are reflected in the percentage of residents living below the poverty level. Only Los Alamos County had less people living below the poverty level than the United States. In 1999, Santa Fe had an equal proportion of residents living below the poverty level to the United States and six percent less residents below poverty level than New Mexico. The poverty level in both Rio Arriba and Taos Counties dramatically exceeded that of the United States and was higher than the state average.



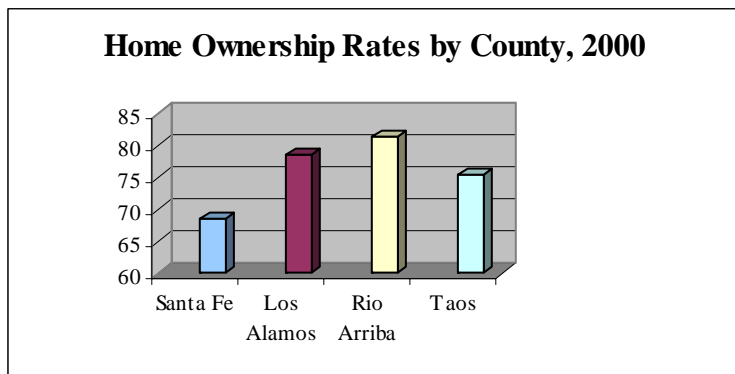
United States Census Bureau, Census 2000

Home Ownership

Home ownership rates in the region are remarkably higher considering income levels. Santa Fe County has the region's lowest home ownership rate, a rate slightly lower than the state average and roughly equal to the national average. Paradoxically, the two poorest Counties-Rio Arriba and Taos-have extremely high incidences of home ownership compared to the national and state averages. It is important to note, however, that the home ownership rates do not exclude pre-fabricated housing. Los Alamos County also has an extremely high rate of home ownership, but this is not surprising.



United States Census Bureau, Census 2000

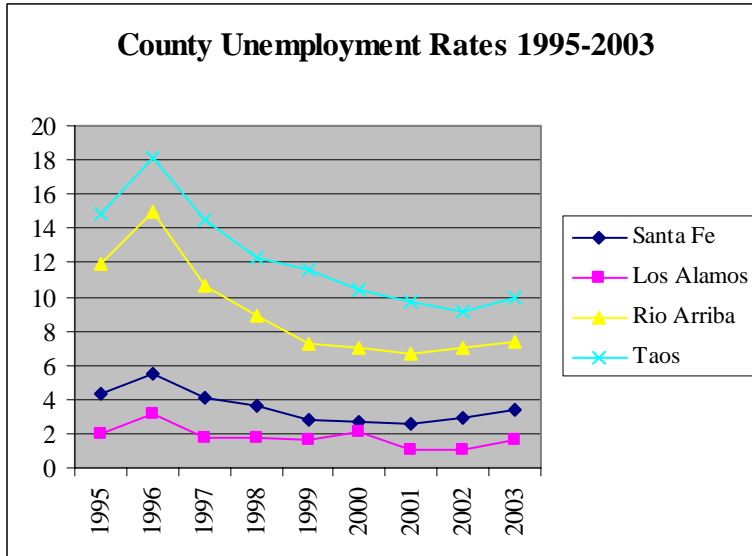


United States Census Bureau, Census 2000

Labor Force Profile

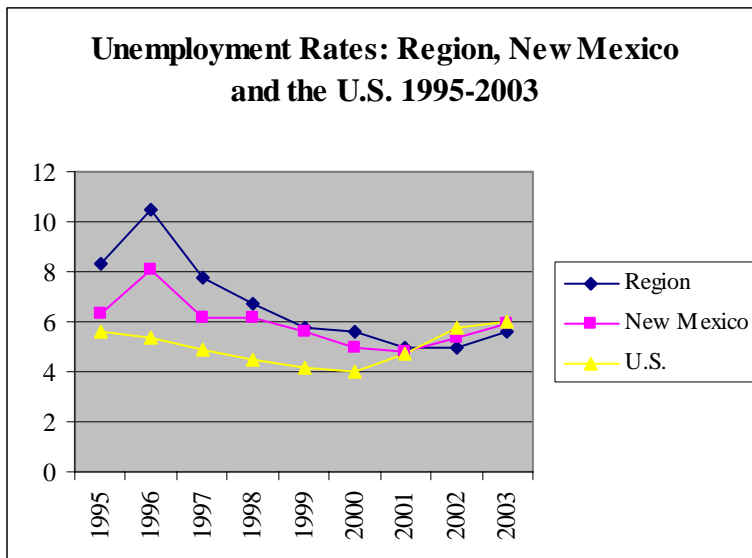
Unemployment

Taos and Rio Arriba Counties have always had unemployment rates far greater than Santa Fe and Los Alamos Counties. However, unemployment trends in each County have basically been similar. Unemployment spiked in the region in 1996 and declined until mid 2000. Unemployment has risen gradually ever since. Taos County and Rio Arriba show chronic, excessive unemployment by state and national standards, while Santa Fe and Los Alamos typically have unemployment rates lower than the state and Nation.



New Mexico Department of Labor (NMDOL), February 2004

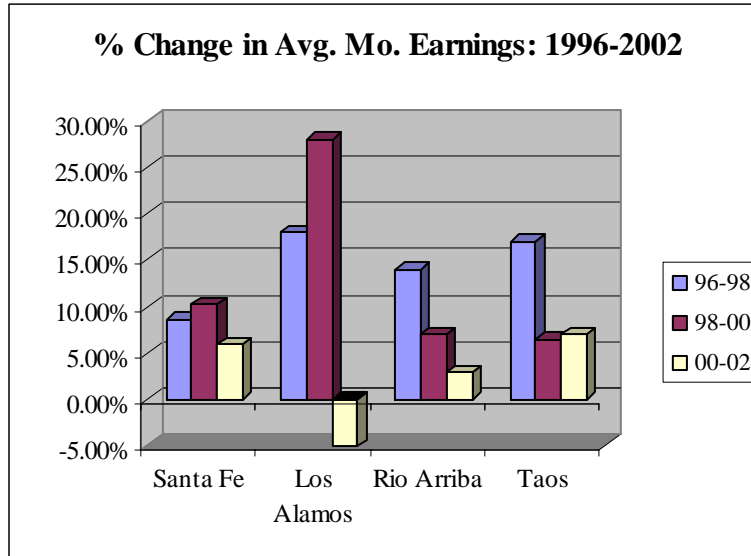
In aggregate, the region has usually endured unemployment rates higher than both the state and the nation. This trend reversed in 2001. Unemployment rates in the region were slightly lower than the same rates in New Mexico and the United States from 2001 to 2003. This is likely attributable to the fact that private sector employment is less prominent in the region than in the state and the nation, both of which experienced significant downturns in private sector business during this timeframe.



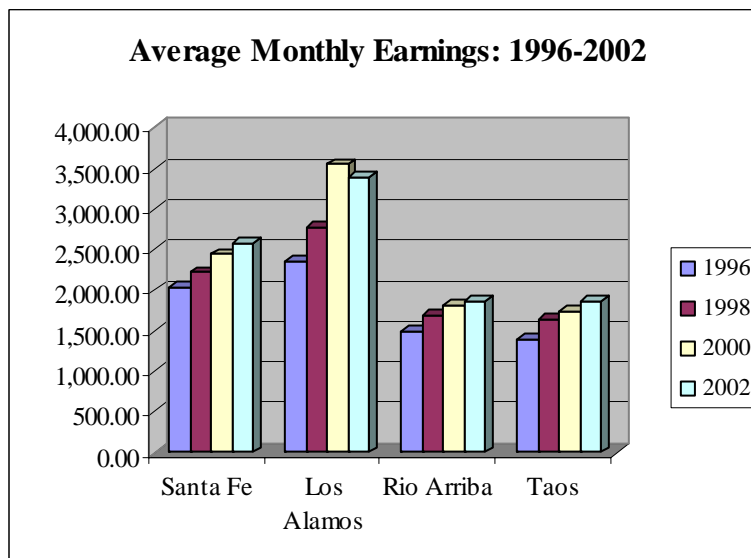
New Mexico Department of Labor (NMDOL), February 2004

Earnings

Los Alamos County showed the highest average monthly earnings by far from 1996 to 2002. Earnings in the County grew during each two year period, with the exception of 2000 to 2002, when earnings dropped slightly². Santa Fe County was next in terms of average monthly earnings. Earnings in Santa Fe County were nominally lower than those in Los Alamos in 1996, but were substantially lower in 1998, 2000 and 2002. During the same period, earnings in Rio Arriba and Taos Counties were roughly equal. Both Counties saw earnings well below those of Santa Fe and Los Alamos and, with the exception of 1996 to 1998, wage growth was anemic.



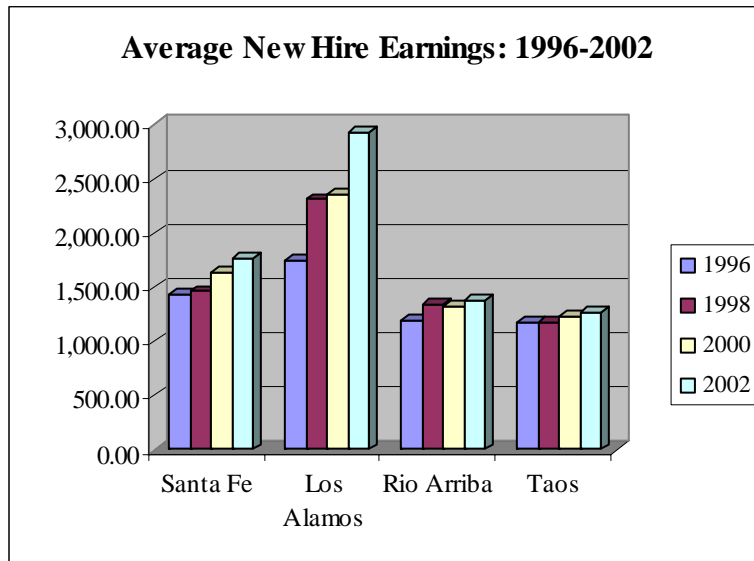
New Mexico Department of Labor (NMDOL), February 2004



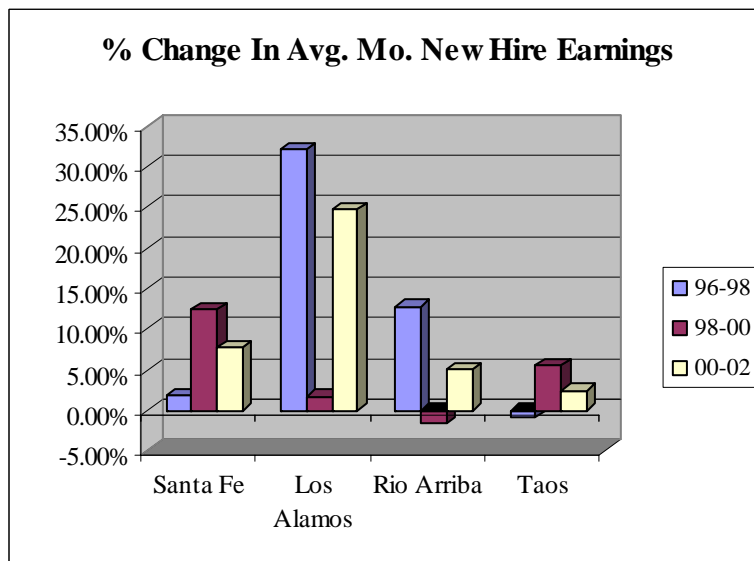
New Mexico Department of Labor (NMDOL), February 2004

² It is speculated that this drop in earnings is attributable to the Cerro Grande Fire

Average monthly new hire earnings are important because high new hire earnings provide incentive for workers to enter into the workforce and/or seek full time employment. As would be expected, Los Alamos County had the highest level of new hire earnings in every year. More interesting, new hire earnings grew from 2000 to 2002, the same time period in which average monthly wages fell in the County. Average new hire earnings were much lower in Santa Fe County and much lower still in Rio Arriba and Taos Counties.



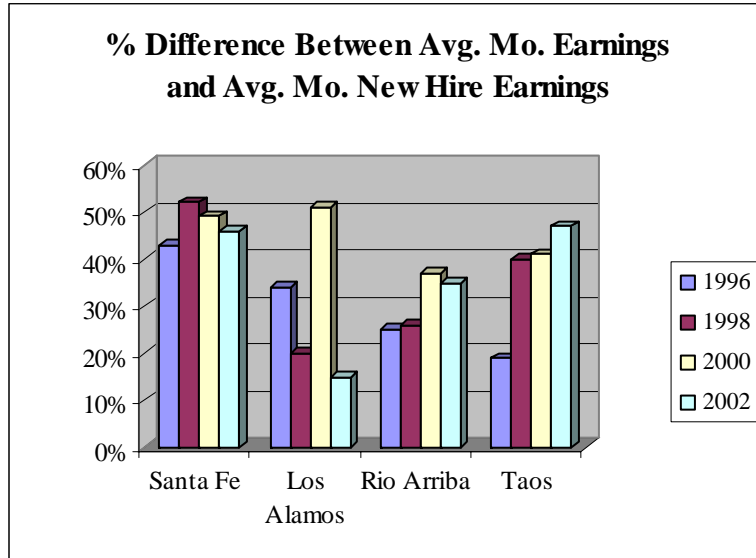
New Mexico Department of Labor (NMDOL), February 2004



New Mexico Department of Labor (NMDOL), February 2004

The percentage difference between average monthly earnings and average monthly new hire earnings is important because, again, it speaks to the incentive for seeking employment and remaining employed. A worker in a county with a large, positive difference between average and new hire earnings has more incentive to seek employment and remain employed than a Worker in a county with little movement between new hire and average monthly earnings. However, the

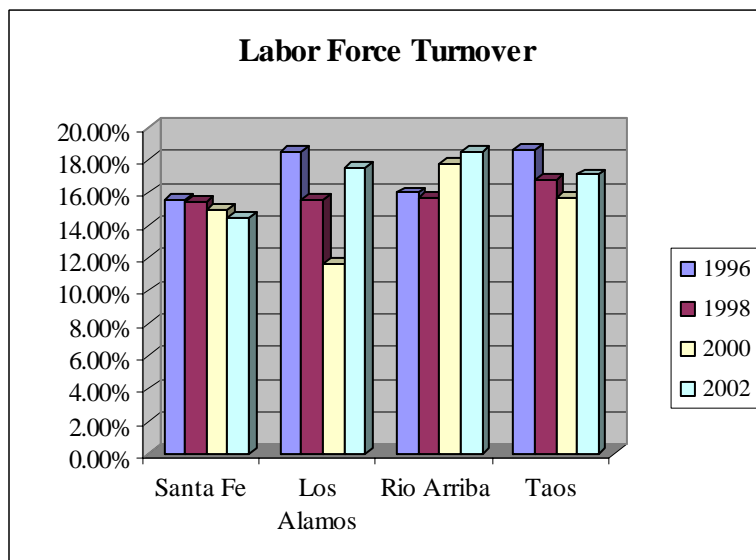
importance of this difference is likely to diminish the higher new hire wages are and the higher overall wages are. Santa Fe County has exhibited the highest positive difference between average and new hire earnings, although the gap has fallen slightly every year since 1998. Los Alamos County has seen erratic movement in this arena. Taos County has almost caught up with Santa Fe and showed significant growth from 2000 to 2002. Rio Arriba County has the smallest positive difference between average and new hire earnings and has seen little growth.



New Mexico Department of Labor (NMDOL), February 2004

Labor Market

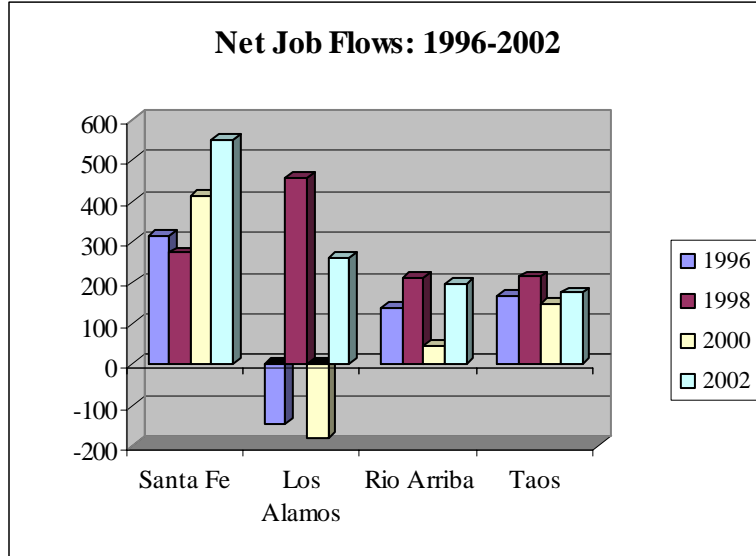
There are no significant differences between counties in terms of labor force turnover. Santa Fe County has the lowest turnover, with Los Alamos, Rio Arriba and Taos all exhibiting roughly the same levels of turnover.



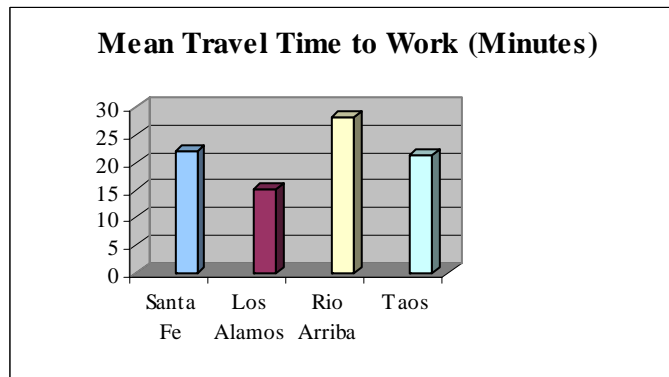
New Mexico Department of Labor (NMDOL), February 2004

Net Job Flows

In aggregate, the region generally saw positive Net Job Flows. However, Net Job Flows in Los Alamos County were Erratic compared to the other counties.



Workers in Rio Arriba County had the longest commute to work and those in Los Alamos County had the shortest. Workers in Santa Fe and Taos Counties had basically equal commute times.



United States Census Bureau, 2000

It is clear that comparing these counties is like comparing apples and oranges in many respects. Los Alamos County is disparate in almost every way with the other counties. Santa Fe County is also not necessarily comparable, while Rio Arriba and Taos Counties resemble one another in many ways. Looking forward to the economic implications inherent in this data, the poverty and unemployment in Rio Arriba and Taos Counties and the rapid aging of the population should be expected to have a significant economic impact. Another concern is the aggregate education levels in Rio Arriba and Taos Counties. There is an undeniable achievement gap between students in Los Alamos County and the rest of the counties, just as there is a gap between Santa Fe County and Rio Arriba and Taos Counties. As the population ages, young labor will become

scarce and fewer workers will be expected to do more. Education and training, coupled with workforce recruitment, will be the key factor in determining how successful the region is in meeting these challenges.

Labor Market and Economic Composition

Careful study of the labor market and economic composition of the private sector in the area of study (AOS) will provide some insight into important trends. The following pages provide a picture of the Labor Market and Economic Composition in all four of the Counties under investigation. Trend analysis of industrial composition by North American Industry Classification System (NAICS) Codes is conducted, with an emphasis on the number of workers and average weekly wages from 2001 to 2003.

Ideally, the time-series analysis would take into account data from at least ten years ago, but pre-2001 data is not comparable with post 2001 data due to changes in collection methods and industry classifications.

Analysis is presented in tandem with implications for future economic and job growth within each County.

It is important to note that the data includes only those occupations that are covered by state unemployment insurance. Therefore, some occupations are not represented, such as certain commission-based positions. In cases where data is withheld due to confidentiality, the confidential numbers still appear in the totals. It is also imperative to acknowledge the limitations of these data. In many cases, small, growing businesses and entrepreneurial endeavors are not likely to be captured.

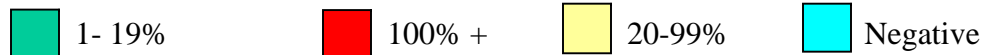
Los Alamos County: Labor Market and Economic Composition

Los Alamos County: Number of Private Sector Workers By Industry (NAICS Codes)

Industry	2001	2002	% Change	2003	% Change	Net % Change	Avg. Weekly Wages '03
Agriculture, Forestry, Fishing and Hunting	*	*	*	*	*		*
Mining	0	0	-	0	-	-	-
Utilities	0	0	-	0	-	-	-
Construction	264	310	17%	324	4%	23%	\$693
Manufacturing	47	50	6%	46	-1%	-2%	\$608
Wholesale Trade	103	85	-17%	101	16%	-2%	\$1,069
Retail Trade	478	499	4%	483	-3%	1%	\$514
Transportation and Warehousing	16	20	25%	*	*	*	\$373
Information	107	100	-7%	138	38%	36%	\$797
Finance and Insurance	393	377	-4%	412	9%	5%	\$730
Real Estate, Rental, and Leasing	122	122	-	154	26%	26%	\$421
Professional and Technical Services	1,442	1,408	-2%	1,466	4%	2%	\$1,156
Management of Companies and Enterprises	0	0	-	0	-	-	-
Administrative and Waste Services	2,296	2,477	8%	2,524	2%	10%	\$992
Educational Services	59	44	-25%	48	9%	-17%	\$698
Health Care and Social Services	867	905	4%	903	-0.2%	4%	\$608
Arts, Entertainment, and Recreation	*	52	*	82	58%	*	\$235
Accommodation and Food Services	522	635	22%	561	-12%	7%	\$271
Other Services, Except Public Administration	274	256	-7%	282	10%	3%	\$331
Unclassified	5	2	-60%	1	-50%	-110%	*
Total Private	7,025	7,343	5%	7,545	3%	7%	\$775

New Mexico Department of Labor, Quarterly Census of Employment and Wages; 4th Quarter, Annual Averages

* Confidential



Los Alamos County Labor Market Discussion

The three industries with the highest percentage rate of growth from 2001 to 2003 are Information (36%, 31 Jobs), Real Estate, Rental, and Leasing (26%, 32), and Construction (23%, 60). Another important growth area was Administrative and Waste Services (10%, 228). The three industries with the greatest number of employees in 2003 were Administrative and Waste Services (2,526, 33% of Private Sector Employees), Professional and Technical Services (1,466, 19%), and Health Care and Social Services (903, 12%). The three occupation categories with the greatest average weekly earnings in 2003 were Professional and Technical Services (\$1,156), Wholesale Trade (\$1,069) and Administrative and Waste Services (\$992). The private sector labor market did not show any worrisome declines between 2001 and 2003.

The most important industries in terms of potential quality job creation for a broad range of the regional population are:

- Administrative and Waste Services
- Professional and Technical Services
- Information
- Construction.

An in-depth look at each of these industries and the related sub-industries will shed light on specific areas of growth. Undoubtedly, the future growth of these industries in Los Alamos County is a function of LANL's growth.

Administrative and Waste Services

Administrative and Waste Services is tied directly to Los Alamos National Laboratories; most of the workers in this category work for LANL via private contractors. In 2001, there were 2,296 Administrative and Waste Service workers and 2,295 worked in Administrative and Support Services, for an average weekly wage of \$873. By 2003, there were 2,534 total Administrative and Waste Service workers, with 2,509 in Administrative and Support roles and 15 in Waste and Remediation services. The average weekly wage in 2003 was \$992.

Professional and Technical Services

Like Administrative and Waste Services, the vitality of the Professional and Technical Services industry is a function of the vitality of LANL. In 2001, there were 1,442 Professional and Technical Service workers, with an average weekly wage of \$1,043. By 2003, the industry added 24 jobs and average weekly wages were up to \$1,156. In Los Alamos, it is presumed that the majority of Professional and Technical Services workers are in Engineering fields.

Information

Information is a broad industry category. A vibrant information industry is a vital component to a healthy, modern economy. In 2001, there were 107 total Information workers, with an average weekly wage of \$646.

Sub-Industry	Number of Workers	Average Weekly Wages
<i>Publishing Industries, Except for the Internet</i>	56	\$650
<i>Motion Picture and Sound Recording Workers</i>	0	0
<i>Broadcast, Except Internet</i>	*	*
<i>Internet Publishing and Broadcasting</i>	0	0
<i>Telecommunications</i>	21	\$861
<i>Internet Service Providers, Search Portals, and Data Processing</i>	*	*
<i>Other Information Services</i>	0	0

Note: * indicates that data is undisclosed

In 2003, the Industry had increased to 138 total workers with an average weekly wage of \$797. Publishing increased to 63 workers with an average weekly wage of \$674 and Telecommunications increased to 49 workers with an average weekly wage of \$957.

Construction

In 2001, there were 264 Construction workers with an average weekly wage of \$721. Looking at the sub-industries, Construction of Buildings accounted for 121 workers, with an average weekly wage of \$838. Heavy and Civil Engineering Construction was confidential and undisclosed. Specialty trade contractors accounted for 127 workers with an average weekly wage of \$613. In 2003, there were 324 Construction workers, with an average wage of \$693. 177 workers were in Construction of Buildings and earned an average weekly wage of \$657. The remaining categories were undisclosed. Construction will likely continue to grow in Los Alamos County over the next five years as LANL continues to build and fire rebuilding projects wrap-up. However, the falling wages suggest that the industry will not be adding a significant number of workers. In this case, falling wages may indicate an overabundance of Construction workers in Los Alamos County.

Rio Arriba County: Labor Market and Economic Composition

Rio Arriba County: Total Number of Private Sector Workers By Industry (NAICS Codes)

Industry	2001	2002	% Change	2003	% Change	Net % Change	Avg. Weekly Wages '03
Agriculture, Forestry, Fishing and Hunting	69	91	39%	75	-18%	9%	\$523
Mining	106	114	8%	109	-4%	3%	\$815
Utilities	115	118	3%	121	3%	5%	\$703
Construction	435	441	1%	503	14%	16%	\$426
Manufacturing	440	401	-9%	319	-20%	-28%	\$464
Wholesale Trade	122	112	-8%	110	-2%	-10%	\$434
Retail Trade	1,359	1,335	-2%	1,374	3%	1%	\$398
Transportation and Warehousing	160	133	-17%	143	8%	-11%	\$548
Information	43	57	33%	64	12%	49%	\$362
Finance and Insurance	205	232	13%	221	-5%	8%	\$533
Real Estate, Rental, and Leasing	39	44	13%	53	20%	36%	\$298
Professional and Technical Services	104	109	5%	124	14%	19%	\$504
Management of Companies and Enterprises	*	*	*	*	*	*	*
Administrative and Waste Services	70	135	93%	141	4%	101%	\$426
Educational Services	24	6	-75%	5	-17%	-79%	\$406
Health Care and Social Services	1,586	1,638	3%	1,884	15%	19%	\$452
Arts, Entertainment, and Recreation	29	21	-28%	28	33%	-3%	\$392
Accommodation and Food Services	819	857	5%	869	1%	6%	\$211
Other Services, Except Public Administration	141	210	49%	170	-14%	21%	\$330
Unclassified	0	*	-	*			*
Total Private	5,894	6,082	3%	6,349	4%	8%	\$418

New Mexico Department of Labor, Quarterly Census of Employment and Wages; 4th Quarter, Annual Averages

* Confidential



Rio Arriba County Labor Market Discussion

The three industries with the highest percentage rate of growth from 2001 to 2003 are Administrative and Waste Services (101%, 71 Jobs), Information (49%, 21), and Real Estate, Rental and Leasing (36%, 14). Two other important growth areas were Construction (16%, 62) and Health Care and Social Services (19%, 246). The substantial growth in Health Care and Social Services is mostly attributable to the Los Alamos Medical Center, which moved to Espanola during this time.

The three industries with the greatest number of employees in 2003 were Health and Social Services (1,884, 30% of Private Sector Employees), Retail Trade (1,374, 22%), and Accommodation and Food Services (869, 14%).

The three occupation categories with the greatest average weekly earnings in 2003 were Mining (\$815), Utilities (\$703) and Transportation and Warehousing (\$548). It is clear that the highest paying jobs in Rio Arriba County are not in growing industries, at least not right now. Mining grew at only 3% and Utilities at only 5%, while Transportation and Warehousing fell by 11%.

The private sector labor market did show one other troubling decline between 2001 and 2003, in addition to Transportation and Warehousing, Manufacturing fell by 28%, a real loss of 121 jobs at average weekly wages in 2003 of \$464. Unfortunately, non-disclosure of sub-industry information makes it impossible to pinpoint exactly where the manufacturing losses are coming from.

The most important industries in terms of potential quality job creation for a broad range of the regional population are:

- Health Care and Social Services
- Professional and Technical Services
- Construction
- Administrative and Waste Services

Health Care and Social Services

In 2001, Health Care and Social Services employed 1,586 workers at average weekly wages of \$449.

Sub-Industry	Number of Workers	Average Weekly Wages
<i>Ambulatory Care</i>	371	\$597
<i>Hospitals</i>	301	\$578
<i>Nursing and Residential Care Facilities</i>	428	\$395
<i>Social Assistance</i>	486	\$226

In 2003, Health Care and Social Services had grown by 298 jobs to 1,884 total workers, with average weekly earnings of \$452.

Sub-Industry	Number of Workers	Average Weekly Wages
<i>Ambulatory Care</i>	304	\$676
<i>Hospitals</i>	*	*
<i>Nursing and Residential Care Facilities</i>	*	*
<i>Social Assistance</i>	857	\$267

Note: * indicates that data is undisclosed

Clearly, the bulk of Health Care and Social Services workers are in low-wage Social Services positions. However, the other sub-industries show relatively high earnings. This sector should be expected to grow as the region's population ages.

Professional and Technical Services

In 2001, Professional and Technical Services had 104 workers making an average weekly wage of \$468. In 2003, the number of workers increased to 124 and the average weekly wage increased to \$504.

Construction

In 2001, there were 435 Construction workers making an average of \$384 per week.

Sub-Industry	Number of Workers	Average Weekly Wages
<i>Construction of Buildings</i>	140	\$416
<i>Heavy and Civil Engineering</i>	89	\$465
<i>Specialty Trade Contractors</i>	206	\$328

In 2003, Construction employed 503 total workers. Average weekly wages increased to \$483.

Sub-Industry	Number of Workers	Average Weekly Wages
<i>Construction of Buildings</i>	158	\$483
<i>Heavy and Civil Engineering</i>	106	\$523
<i>Specialty Trade Contractors</i>	239	\$345

Administrative and Waste Services

Data distinguishing between the two sub-industries of Administrative Support Services and Waste and Remediation Services is undisclosed.

Santa Fe County: Labor Market and Economic Composition

Santa Fe County: Total Number of Private Sector Workers By Industry (NAICS Codes)

Industry	2001	2002	% Change	2003	% Change	Net % Change	Avg. Weekly Wages '03
Agriculture, Forestry, Fishing and Hunting	184	147	-20%	145	-1%	-21%	\$481
Mining	169	143	-15%	99	-31%	-41%	\$935
Utilities	*	135	-	133	-1%	-	\$973
Construction	4,389	4,244	-3%	4,396	4%	-	\$562
Manufacturing	1,403	1,253	-11%	1,165	-7%	-18%	\$606
Wholesale Trade	834	985	18%	948	-4%	14%	\$717
Retail Trade	8,342	8,353	0.1%	8,475	1%	2%	\$480
Transportation and Warehousing	526	559	6%	536	-4%	2%	\$538
Information	984	891	-9%	828	-7%	-16%	\$750
Finance and Insurance	1,529	1,746	14%	1,737	-0.5%	14%	\$1,010
Real Estate, Rental, and Leasing	1,059	997	-6%	1,030	3%	-3%	\$666
Professional and Technical Services	2,589	2,531	-2%	2,598	3%	0.3%	\$1,069
Management of Companies and Enterprises	195	205	5%	203	-1%	4%	\$739
Administrative and Waste Services	1,685	1,769	5%	1,955	11%	16%	\$471
Educational Services	1,323	1,270	-4%	1,387	9%	5%	\$507
Health Care and Social Services	5,151	5,625	9%	5,946	6%	15%	\$699
Arts, Entertainment, and Recreation	1,051	1,075	2%	1,107	3%	5%	\$489
Accommodation and Food Services	7,525	7,642	2%	7,783	2%	3%	\$314
Other Services, Except Public Administration	2,225	2,283	3%	2,324	2%	4%	\$481
Unclassified	23	47	104%	56	19%	143%	\$516
Total	41,332	41,899	1.4%	42,874	2.3%	4%	\$570

New Mexico Department of Labor, Quarterly Census of Employment and Wages; 4th Quarter, Annual Averages

* Confidential



Santa Fe County Labor Market Discussion

The three industries with the highest percentage rate of growth from 2001 to 2003 are Administrative and Waste Services (16%, 270 Jobs), Health and Social Services (15%, 795), and Finance and Insurance (14%, 208). Wholesale Trade also grew by 14% (114 Jobs) Two other important growth areas were Construction (-%, 152) and Educational Services (5%, 117).

The three industries with the greatest number of employees in 2003 were Retail Trade (8,475, 20% of Private Sector Employees), Accommodation and Food Services (7,783, 18%), and Health and Social Services (5,946, 14%).

The three occupation categories with the greatest average weekly earnings in 2003 were Professional and Technical Services (\$1,069), Finance and Insurance (\$1,010) and Utilities (\$973). Professional and Technical Services and Utilities showed anemic growth, while Finance and Insurance added a substantial number of jobs.

The most troubling declines were in Mining (-41%, -70), Information (-16%, -156) and Manufacturing (-18%, 238). Mining losses come from the Mining, Except Oil and Gas sub-industry. The most significant Manufacturing losses came in the categories of Fabricated Metal Products Manufacturing, Primary Metal Products Manufacturing and Wood Product Manufacturing.

Information losses were across the board. In 2001, there were a total of 984 Information workers making an average weekly income of \$768. 465 workers in Publishing Industries, Except Internet made an average of \$768 per week. 132 Motion Picture and Sound Recording workers earned an average of \$247 per week. 85 Broadcasting, Except Internet Employees averaged \$496 per week. 180 Telecommunication workers earned an average of \$944 weekly and 41 workers in the Internet Service Provider, Search Portals and Data Processing earned an average of \$1,450 per week. The remaining 51 workers were either in Internet Publishing and Broadcasting or Other Information Services, though non-disclosure makes it impossible to know the breakdown. By 2003, total workers had fallen to 928 and average wages had fallen to \$750. The most significant job losses came in Telecommunications (-27 workers) and Internet Service Provider, Search Portals and Data Processing (-33 workers).

The data suggest that the most important industries in terms of potential quality job creation for a broad range of the regional population are:

- Healthcare and Social Services
- Finance and Insurance
- Wholesale Trade

Healthcare and Social Services

In 2001, Healthcare and Social Services employed 5,151 workers with average weekly wages of \$648. Sub-Industry employment was:

Sub-Industry	Number of Workers	Average Weekly Wages
<i>Ambulatory Care</i>	2,372	\$776
<i>Hospitals</i>	1,392	\$1,016
<i>Nursing and Residential Care Facilities</i>	687	\$420
<i>Social Assistance</i>	700	\$380

In 2003, the industry employed 5,946 workers (+795 Jobs) and paid average weekly wages of \$699.

Sub-Industry	Number of Workers	Average Weekly Wages
<i>Ambulatory Care</i>	2,794	\$806
<i>Hospitals</i>	*	*
<i>Nursing and Residential Care Facilities</i>	*	*
<i>Social Assistance</i>	709	\$412

Note: * indicates that data is undisclosed

Finance and Insurance

In 2001, Finance and Insurance employed 1,529 workers at average weekly wages of \$954.

Sub-Industry	Number of Workers	Average Weekly Wages
<i>Monetary Authorities- Central Bank</i>	0	0
<i>Credit Intermediation & Related Activities</i>	784	\$679
<i>Securities, Commodity Contracts, Investment</i>	335	\$1,885
<i>Insurance Carriers & Related Activities</i>	398	\$719
<i>Funds, Trusts, and Other Financial Vehicles</i>	12	\$726

In 2003, the industry employed 1,737 (+208) workers at an average weekly wage of \$1,010.

Sub-Industry	Number of Workers	Average Weekly Wages
<i>Monetary Authorities- Central Bank</i>	0	0
<i>Credit Intermediation & Related Activities</i>	932	\$786
<i>Securities, Commodity Contracts, Investment</i>	360	\$1,886
<i>Insurance Carriers & Related Activities</i>	419	\$795
<i>Funds, Trusts, and Other Financial Vehicles</i>	26	\$348

Wholesale Trade

In 2001, Wholesale Trade accounted for 834 workers and paid average weekly wages of \$724.

Sub-Industry	Number of Workers	Average Weekly Wages
<i>Merchant Wholesalers, Durable Goods</i>	388	\$681
<i>Merchant Wholesalers, Non-Durable Goods</i>	391	\$749
<i>Electronic Markets & Agents & Brokers</i>	55	\$855

In 2003, there were 948 workers at average weekly earnings of \$717.

Sub-Industry	Number of Workers	Average Weekly Wages
<i>Merchant Wholesalers, Durable Goods</i>	369	\$665
<i>Merchant Wholesalers, Non-Durable Goods</i>	507	\$688
<i>Electronic Markets & Agents & Brokers</i>	72	\$1,185

Taos County: Labor Market and Economic Composition

Taos County: Total Number of Private Sector Workers By Industry (NAICS Codes)

Industry	2001	2002	% Change	2003	% Change	Net % Change	Avg. Weekly Wages '03
Agriculture, Forestry, Fishing and Hunting	7	3	-57%	5	67%	-29%	\$412
Mining	258	211	-18%	213	1%	-17%	\$948
Utilities	*	*	*	*	*	*	*
Construction	722	858	19%	824	-4%	14%	\$473
Manufacturing	192	198	3%	167	-16%	-13%	\$309
Wholesale Trade	118	122	3%	130	7%	10%	\$698
Retail Trade	1,456	1,432	-2%	1,455	2%	-	\$375
Transportation and Warehousing	52	54	4%	74	37%	42%	\$435
Information	187	155	-17%	144	-7%	-23%	\$514
Finance and Insurance	164	186	13%	200	7%	22%	\$658
Real Estate, Rental, and Leasing	228	250	10%	312	29%	37%	\$495
Professional and Technical Services	239	261	9%	268	3%	12%	\$544
Management of Companies and Enterprises	*	*	*	*	*	*	*
Administrative and Waste Services	108	378	500%	474	25%	652%	\$312
Educational Services	59	34	-42%	49	44%	-17%	\$606
Health Care and Social Services	1,145	1,265	10%	1,368	8%	20%	\$524
Arts, Entertainment, and Recreation	431	*	*	*	*	*	*
Accommodation and Food Services	2,031	2,066	2%	2,043	-1%	1%	\$240
Other Services, Except Public Administration	340	376	11%	376	-	11%	\$323
Unclassified	13	6	-54%	10	67%	-23%	\$416
Total	8,086	8,521	5.4%	8,743	2.6%	8%	\$413

New Mexico Department of Labor, Quarterly Census of Employment and Wages; 4th Quarter, Annual Averages

* Confidential



Discussion

The three industries with the highest percentage rate of growth from 2001 to 2003 are Administrative and Waste Services (652%, 366 Jobs), Transportation and Warehousing (15%, 795), and Real Estate, Rental and Leasing (37%, 84). Two other important growth areas were Health and Social Services (20%, 223) and Finance and Insurance (22%, 36).

The three industries with the greatest number of employees in 2003 were Accommodation and Food Services (2,0433, 23% of Private Sector Employees), Retail Trade (1,455, 17% of Private Sector Employees), and Health and Social Services (1,368, 16%).

The three occupation categories with the greatest average weekly earnings in 2003 were Mining (\$948), Wholesale Trade (\$698) and Finance and Insurance (\$655). Mining shed 45 jobs (17%), while Wholesale Trade added 12 (10%) and Finance and Insurance added 36 (22%).

The most troubling declines were in Mining (-45%, -17) and Information (-23%, -43). Mining losses come from the Mining, Except Oil and Gas sub-industry. In Information, Motion Pictures and Sound Recordings lost 15 jobs, but all other sub-industries are undisclosed. Besides, the Motion Pictures part of that industry is still somewhat sporadic in Northern New Mexico.

The data suggest that the most important industries in terms of potential quality job creation for a broad range of the regional population are:

- Health and Social Services
- Finance and Insurance
- Wholesale Trade
- Construction

Health Care and Social Services

In 2001, Health Care and Social Services employed 1,145 workers at average weekly wages of \$477.

Sub-Industry	Number of Workers	Average Weekly Wages
<i>Ambulatory Care</i>	449	\$498
<i>Hospitals</i>	290	\$724
<i>Nursing and Residential Care Facilities</i>	235	\$332
<i>Social Assistance</i>	171	\$354

In 2003, Health Care and Social Services had increased by 223 jobs to 1,368 and paid average weekly wages of \$524.

Sub-Industry	Number of Workers	Average Weekly Wages
<i>Ambulatory Care</i>	2,372	\$776
<i>Hospitals</i>	*	*
<i>Nursing and Residential Care Facilities</i>	*	*
<i>Social Assistance</i>	209	\$359

Note: * indicates that data is undisclosed

Finance and Insurance

In 2001, Finance and Insurance had 164 workers and at average weekly wages of \$598.

Sub-Industry	Number of Workers	Average Weekly Wages
<i>Monetary Authorities- Central Bank</i>	0	0
<i>Credit Intermediation & Related Activities</i>	107	\$677
<i>Securities, Commodity Contracts, Investment</i>	*	*
<i>Insurance Carriers & Related Activities</i>	48	\$453
<i>Funds, Trusts, and Other Financial Vehicles</i>	*	*

Note: * indicates that data is undisclosed

In 2003, Finance and Insurance grew by 36 workers to a total of 200 employees. Average weekly wages were \$658.

Sub-Industry	Number of Workers	Average Weekly Wages
<i>Monetary Authorities- Central Bank</i>	0	0
<i>Credit Intermediation & Related Activities</i>	119	\$781
<i>Securities, Commodity Contracts, Investment</i>	*	*
<i>Insurance Carriers & Related Activities</i>	68	\$479
<i>Funds, Trusts, and Other Financial Vehicles</i>	*	*

Wholesale Trade

In 2001, Wholesale Trade employed 118 workers at average weekly wages of \$548.

Sub-Industry	Number of Workers	Average Weekly Wages
<i>Merchant Wholesalers, Durable Goods</i>	76	\$524
<i>Merchant Wholesalers, Non-Durable Goods</i>	35	\$656
<i>Electronic Markets & Agents & Brokers</i>	7	\$464

In 2003, Wholesale Trade employed 130, with average weekly wages of \$698.

Sub-Industry	Number of Workers	Average Weekly Wages
<i>Merchant Wholesalers, Durable Goods</i>	86	\$555
<i>Merchant Wholesalers, Non-Durable Goods</i>	37	\$1,029
<i>Electronic Markets & Agents & Brokers</i>	7	\$707

Construction

In 2001, Construction employed 722 workers and paid average weekly wages of \$428.

Sub-Industry	Number of Workers	Average Weekly Wages
<i>Construction of Buildings</i>	427	\$452
<i>Heavy and Civil Engineering</i>	43	\$542
<i>Specialty Trade Contractors</i>	253	\$367

In 2003, Construction employed 823 total workers, a two-year increase of 98. Average weekly wages were \$473.

Sub-Industry	Number of Workers	Average Weekly Wages
<i>Construction of Buildings</i>	488	\$478
<i>Heavy and Civil Engineering</i>	54	\$734
<i>Specialty Trade Contractors</i>	282	\$411

Interviews

This section is a survey of the economy from the eyes of Economic Developers and Business People within specific industries. It is hoped that we can combine their vision to create a broad picture of the regional private-sector economy, a picture that shows opportunities for meaningful business growth and job creation, as well as impediments barring those opportunities. Our main goal is to find ways to facilitate and foster the creation of sustainable, high-quality jobs, with a focus on job creation in the private sector. However, as elementary as it may sound, the fundamental driver for this kind of job creation is strong business growth, particularly in industries that typically create quality jobs. The key is to identify industries that are adding workers or are poised to add workers in the near term. Quantitative labor data can be used to build a foundational understanding of industrial composition and can be used to track trends. However, these data do not provide sufficient insight to create a complete picture of opportunities and impediments. It fails to convey what is happening just below the surface and it does not highlight promising start-up companies or fledgling industries. For this, qualitative data is in order. To understand what lies hidden in the numbers and, more importantly, what lies outside of the numbers, the insight of Economic Developers, Community Planners and Business

Leaders from each County under investigation was sought. That insight, once gained, was used to identify industries where the region's finite business development resources can be focused and how.

Economic Development Organization Interviews

Methodology

In person depth-interviews were employed to gain the qualitative perspective of several Economic Development Organization/Community Planning Organization (EDO) officials in each County, including both Not-For-Profit and Government Organizations. Once officials agreed to be interviewed, they were emailed an open-ended questionnaire (please see page 55 for an example of the EDO depth-interview questionnaire) to guide their thinking, roughly one week before the interview was to take place. Essentially, EDO officials were asked to identify and discuss the private sector industries in which they currently see and/or anticipate seeing substantial growth of high quality jobs over a span of the next three years. They were also asked to discuss issues they saw as actual or likely impediments to growth in these industries, as well as the economy in general. Interviews followed the format of the questionnaire. All answers to questions were thoroughly explored via additional detailed questions. Below is a summary of findings from EDO interviews. A table outlining all answers is also provided. EDO names have been withheld to protect the confidentiality of each respondent's answers.

Summary of Findings

In Los Alamos County, the most commonly mentioned private sector growth area was Technical Research and Development. The most commonly cited impediments to growth were a lack of entrepreneurial initiative, and limited private land for commercial space and development. Also mentioned were the high cost of living (attributed mostly to high housing costs) and lack of middle level employment (in terms of skills and wages), both of which are perceived to lead to difficulty recruiting highly trained workers to Los Alamos County to work in private Research and Development ventures.

In Rio Arriba County, the most commonly mentioned private sector growth areas were (ranked in order of frequency): Retail, Artisans and Craftspeople, Value-Added Agriculture, Light Manufacturing (Pueblo Initiatives), New Technology Business Services, Health Care and Construction. The most commonly cited impediments to growth were the Education System, Local Politics, Lack of Marketing and Other Service Support Businesses, a Negative Local Press and a local entry level workforce that predominantly lacks both motivation and many basic skills³.

In Santa Fe County, the most commonly mentioned private sector growth areas were New Media and Film, Informatics, Conservation Technologies and Light Manufacturing. There was no clear agreement among the different EDOs as to the general impediments to growth.

³ These comments represent the viewpoints of several EDO informants; inclusion of these comments is not meant to suggest that the authors agree with the comments or that the comments factual. In no way should the reader accept these as a sweeping characterization of the entire workforce.

In Taos County, the most commonly mentioned private sector growth areas were Training Retreat Centers, Renewable Energy, Value-Added Agriculture, Health Care, Construction and New Technology Support Services. The most commonly mentioned impediments to growth were lack of New Technology Support Services (unanimous) and little or no access to capital for small businesses.

The table on the proceeding pages is a complete summary EDO Interviews with the broad categories of Industries with the Greatest Potential for Private Sector Quality Job Creation, Impediments to Growth in these Industries and the Economy on a Whole and Areas where Growth Opportunities are perceived to exist.

Economic Development Organization/Community Planning Organization Interview Findings

County/EDO	Industries with Greatest Potential for Private Sector Quality Job* Creation	Impediments to Growth	Other Growth Areas
Los Alamos County			
LA EDO 1	<ul style="list-style-type: none"> • Technical Research and Development 	<ul style="list-style-type: none"> • Difficult to recruit because of high housing costs and lack of spousal employment opportunities 	N/A
LA EDO 2	<ul style="list-style-type: none"> • Technical Research and Development • Engineering Consulting • Other Consulting • Construction 	<ul style="list-style-type: none"> • There is not a culture of Entrepreneurship 	N/A
LA EDO 3	<ul style="list-style-type: none"> • Technical Research and Development 	N/A	N/A
Rio Arriba County			
RA EDO 2	<ul style="list-style-type: none"> • Artisans • Value-Added Agriculture 	<ul style="list-style-type: none"> • Marketing is always difficult for artisans and craftspeople • Value-Added Agriculture is lacking production facilities and marketing • Education System • Local media is too negative 	>Retail
RA EDO 1	<ul style="list-style-type: none"> • Construction • Artisans • Value-Added Agriculture • Light Manufacturing (Pueblo Initiatives) 	<ul style="list-style-type: none"> • Local Politics • Education System • Entry level workforce is lacking even basic skills, such as showing up on time, being nice to customers, counting change etc. • Most local press is negative • Northern New Mexico Community College and Small Business Training Providers are under-utilize 	<ul style="list-style-type: none"> • Retail • Music Performance and Recording • Eco-Tourism (Including Big Game Hunting)

County/EDO	Industries with Greatest Potential for Private Sector Quality Job* Creation	Impediments to Growth	Other Growth Areas
Rio Arriba County Cont.			
RA EDO 3	<ul style="list-style-type: none"> • Health Care • Value-Added Agriculture • Business Services • Artisans • Construction 	<ul style="list-style-type: none"> • N/A 	<ul style="list-style-type: none"> • Retail • Private Schools • Casinos
RA EDO 4	<ul style="list-style-type: none"> • Artisans • Value-Added Agriculture • Service: Web Design, Graphic Design, Computer Assistance, Technical Assistance, Marketing, Artisan Support, Artisan Marketing and Management • Health/Medical 	<ul style="list-style-type: none"> • Local Politics • Difficult to encourage worker training when most available jobs are low paying with few or no benefits 	<ul style="list-style-type: none"> • Retail • Hospitality/Tourism
RA EDO 5	<ul style="list-style-type: none"> • Value-Added Agriculture 	<ul style="list-style-type: none"> • Education System 	<ul style="list-style-type: none"> • Retail
SF EDO 1	<ul style="list-style-type: none"> • "Cluster" Companies 	<ul style="list-style-type: none"> • Lack of DSL availability • Living Wage hurts business recruitment • "Brain Drain" 	<ul style="list-style-type: none"> • Hospitality/Tourism • Retail • Private Education
SF EDO 2	<ul style="list-style-type: none"> • Various Local Entrepreneurial Endeavors • Informatics • New Media/Film • Light Manufacturing • Conservation Technologies 	<ul style="list-style-type: none"> • Difficult to recruit employees for technical and professional positions because of poor spousal employment opportunities • Poor business support from the City and the County • Brain Drain • Pervasive Government Job Mentality 	<ul style="list-style-type: none"> • N/A

County/EDO	Industries with Greatest Potential for Private Sector Quality Job* Creation	Impediments to Growth	Other Growth Areas
Rio Arriba County Cont.			
SF EDO 3	<ul style="list-style-type: none"> • New Media/Film • Conservation Technologies • Consumer Goods • Informatics, Bioinformatics, BioTech • Finance and Insurance • Arts and Culture/Artisans • Health Care 	<ul style="list-style-type: none"> • Lack of New Media/Film Infrastructure • Shortage of skilled workers for all industries • Living Wage hurts Business Recruitment 	<ul style="list-style-type: none"> • Various Consumer Service Industries, such as Mechanics • Distribution
SF EDO 4	<ul style="list-style-type: none"> • Light Manufacturing 	<ul style="list-style-type: none"> • Education System 	<ul style="list-style-type: none"> • Retail
Taos County			
T EDO 1	<ul style="list-style-type: none"> • Various Services for the Changing Demographics • Technical Support (Call Centers) • Renewable Energy • New Technology Support Services • Health • Construction • Real Estate • Software Development 	<ul style="list-style-type: none"> • Many of the Technology Support Services are not currently available • Businesses have difficulty acquiring Capital • Business have difficulty getting adequate support • Lack of Affordable Housing 	<ul style="list-style-type: none"> • Transportation and Warehousing • High-End Consumer Goods Store

County/EDO	Industries with Greatest Potential for Private Sector Quality Job* Creation	Impediments to Growth	Other Growth Areas
Taos County Cont.			
T EDO 2	<ul style="list-style-type: none"> • Value-Added Agriculture/Food Manufacturing • Artisans • Traditional Construction Crafts • Health Care • Renewable Energy • Training Retreat Centers • New Technology Support Services • All Ancillary Services for the Arts and Artisans (Marketing, Management etc.) 	<ul style="list-style-type: none"> • Businesses and Workers need more training • Businesses need access to Capital; Need Micro-Lending 	<ul style="list-style-type: none"> • Transportation and Warehousing
T EDO 3	<ul style="list-style-type: none"> • Artisans and Craft Producers • Construction • Real Estate • Value-Added Agriculture 	<ul style="list-style-type: none"> • Need New Technology Support • Need Web Services: Design, Development, E-Commerce 	<ul style="list-style-type: none"> • N/A
T EDO 4	<ul style="list-style-type: none"> • Training Retreat Centers • Renewable Energy • E-Commerce Ventures • Construction • Health 	<ul style="list-style-type: none"> • Need Affordable Housing • Need Assistance with New Technologies • Must Develop Human Infrastructure (Networks, Outreach) 	<ul style="list-style-type: none"> • N/A
T EDO 5	<ul style="list-style-type: none"> • Value-Added Agriculture • Light Manufacturing associated with Renewable Energy • Training Retreat Centers • Call Centers 	<ul style="list-style-type: none"> • Infrastructure (Buildings, Communications) • Need Marketing and Distribution assistance for Value-Added Agriculture and Artisans 	<ul style="list-style-type: none"> • Artisans and Craftspeople

Target Industry Interviews

Methodology

Target Industries were selected based on a combination of EDO interview findings, labor market data and the criteria outlined in the introduction to this report on page 3. It is important to note that the selection of Target Industries may most aptly be characterized as a best guess. However, the authors of this report are confident that the selected industries meet the listed criteria and, more importantly, have the potential to exhibit substantial increases in the numbers of workers employed. It is also important to note that interviews were not conducted with every company within each industry. Regretfully, time and resource constraints (as well as interview declines) prohibited an entirely comprehensive investigation. Again, however, the authors are comfortable with the assumption that the findings from these interviews more or less capture the sentiments of most Target Industry business leaders, if not most business leaders in general. One final caveat: some of the industries/areas of potential growth cited by EDO officials did not (yet) have any viable companies operating that the authors could find. Thus, these areas were obviously not considered when selecting target industries.

In person depth interviews were employed to gain the perspective of decision makers at selected companies within Target Industries in each County. Once decision makers agreed to be interviewed, they were emailed a questionnaire (please see page 57 for an example of a Target Industry questionnaire) to help prepare their answers, roughly one week before the interview was to take place. Essentially, decision makers were questioned as to what is needed for their businesses and industries contemporaries to grow in terms of both revenues and the number of workers employed over the next three years? They were also asked to discuss issues they saw as actual or likely impediments to growth, with a slight emphasis on workforce issues. Interviews followed the format of the questionnaire. All answers to questions were thoroughly explored via additional detailed questions. Below is a listing of selected Target Industries within each County, as well as a general summary of findings from the interviews. A table outlining all answers is also provided on pages 45-53. Company and respondent names have been withheld to protect the confidentiality of each respondent's answers.

Target Industries and Summary of Findings

Los Alamos County

- **Technical Research and Development:** There are many in the community who believe that the spin off potential at the Labs has not been fully tapped. In addition, both of the Los Alamos County EDOs cited Technical Research and Development companies as very likely to contribute to positive job growth. The authors would like to extend a special thanks to the Los Alamos Commerce and Development Corporation for allowing the use of data they gathered in a similar study. Data on workforce needs and business growth needs was collected from over thirty research and development companies in the County. In the interest of avoiding duplication, we elected to incorporate the LACDC data. Naturally, we were diligent to ensure that the data fit perfectly with our research objectives before deciding to include it. The greatest needs for these industries are:

- Lower Housing Costs
- Accountants and Engineers

Rio Arriba County

- **Artisans and Craftspeople:** Rio Arriba County has a great tradition of Artisans and traditional Craftspeople. These endeavors present an opportunity for those who practice them to make wealth creation wages, without compromising traditional values. All off the EDOs interviewed cited these as potential sources of job creation. It is critical to remember that these will be entrepreneurial based, small businesses. While the Artisans and Craftspeople certainly exist in Rio Arriba County, they are a collection of individuals, with a few cooperatives and guilds. There are initiatives to push this industry towards critical mass, but much work remains. Unfortunately, the authors were not able to contact a sufficient number of Artisans and Craftspeople. As a result, findings should be considered a starting point for a more comprehensive investigation. The greatest needs for these industries are:
 - Marketing and Business Development Assistance
 - Management (Agents)
 - Seed Capital
 - Business Education and Reconciliation (many in these fields do not look favorably on business, this must be reconciled)
 - Seed Capital to move to the next level
 - New Technology integration and support
- **Value-Added Agriculture:** Like Artisans and Craftspeople, Rio Arriba County has a great tradition of Value-Added Agriculture. These endeavors present an opportunity for those who practice them to make/earn wealth creation wages, without compromising traditional values. All off the EDOs interviewed cited these as potential sources of job creation. It is critical to remember that these will be entrepreneurial based, small businesses, though not necessarily as small as Artisans and Craftspeople. While the Value-Added Agriculture entities certainly exist in Rio Arriba County, they are mainly a collection of individuals, with a few cooperatives. There are initiatives to push this industry towards critical mass, but much work remains. One impediment to growth in this industry is the lack of large tracts of arable, private land. Thus, efforts will likely have to find ways to integrate many small and medium sized producers (in terms of growers). Also, the arid conditions of the region require a quality, not quantity approach. This means that producers will have to focus on quality and uniqueness and will have devise and execute excellent marketing campaigns to communicate the quality and uniqueness of their products to identified niche markets. Unfortunately, the authors were not able to contact a sufficient number of Artisans and Craftspeople. As a result, findings should be considered a starting point for a more comprehensive investigation. The greatest needs for Value-Added Agriculture industries in Rio Arriba County are:
 - Production Facilities
 - Marketing and Business Development Assistance

- **New Technology:** Companies seeking to flee the high costs of commercial property in Los Alamos and Santa Fe Counties might find the Espanola corridor to be desirable. It is located less than an hour away from Los Alamos and Santa Fe and has considerably lower rents. Even if a New Technology workforce does not yet exist in Espanola, workers in Northern New Mexico are no strangers to commuting and would doubtfully resist commuting to Espanola from Santa Fe, Taos, or elsewhere in lieu of commuting to Los Alamos. There are a few examples of thriving New Technology firms in Espanola. The authors interviewed the owner of one budding New Technology enterprise in Espanola and were encouraged by the findings. The owner expressed needs in the following areas:
 - Business Development mentorship and support, especially for Marketing and Sales
 - Better access to a qualified workforce

Santa Fe County

- **New Media and Film:** New Media and Film are attractive because they require relatively little capital investment, use few rare resources and provide a wide range of jobs. Moreover, New Media and Film are synergistic in that each industry can help the other grow. For example, Informatics can be used to produce animation modeling for films.
 - Continue building and training crew base (also known as Below the Line Workers); New Mexico needs at least two world-class crews.
 - Build infrastructure such as sound stages, pre and post-production facilities and animation and special effects facilities and workers to move the region away from almost exclusively outdoor, location films.
 - Create an Above the Line worker base that includes Writers, Directors, Producers and Marketers and Distributors, among others
 - As with Informatics, **TIME IS OF THE ESSENCE**; the recent boom in the film productions in Northern New Mexico is due largely to the state film incentives package. While incentives have attracted and continue to attract a number of films to the region and the state, other states and nations are moving to copy New Mexico's film incentives. If the Political, Film and Investment communities do not move to build all of the infrastructure that is required to turn New Mexico's film industry from a location based to full fledged, then the momentum may well be lost.
- **Informatics:** The Informatics industry in Santa Fe is world-renowned. However, the success of the Informatics industry in Santa Fe is far from guaranteed. Sources in the community express fears that the industry may leave Santa Fe, or remain in Santa Fe but face stiff competition from other hotbeds of Informatics that are emulating the so called Info Mesa. It is absolutely imperative for the economy and reputation of Northern New Mexico and Santa Fe that the Informatics industry remains in Santa Fe and prosper. Potential job growth in the Informatics industry over the next three years is estimated at 50 jobs on the low end of the spectrum and 1,000 jobs on the high end of the spectrum. The main needs for this industry are:
 - More workers with excellent science and technology backgrounds
 - More professionals with national/international perspective, contacts and background in technical Marketing, Sales and Business Development

- Capital designed to help companies go to the next level with Marketing and Business Development
- As with New Media and Film, it must be noted that **TIME IS OF THE ESSENCE**; If the Informatics Industry in Santa Fe is to survive, prosper and grow, then all measures must be taken to facilitate the industry's vitality immediately. There can be no hesitation.
- **Consumer Goods Wholesale, Retail and Corporate Headquarters:** This is a broad category that includes companies who manufacture goods and have corporate headquarters in the region, as well as companies that produce goods elsewhere but have corporate headquarters in the region. These companies can provide a wide range of semi-skilled, skilled and professional job opportunities. The group is so varied that it is difficult to completely generalize their needs. As a result, the authors ask that you review the findings from each interview on pages 50 to 52.
- **Conservation Technologies:** Conservation Technologies is a broad category that includes Renewable Energy, Energy Conservation, Air Filtration, and Water Conservation and Recycling, among others. Many previous economic development reports have rightly suggested that all categories of the Conservation Technology industries should be developed and/or supported in Santa Fe. This report reflects findings from interviews with Renewable Energy and Air Filtration companies. The needs for Renewable Energy prosperity include:
 - Non-Fossil fuel subsidies and incentives from Local, State and Federal Government Entities
 - A highly trained Technical and Engineering workforce, which does not currently exist in the region. This is attributed to the fact that Sandia and Los Alamos National Laboratories are fierce competitors for local technical and engineering talent. In addition, there is not a robust base of technically trained workers in Northern New Mexico to begin with
 - Community and Political education and acceptance of renewable energy as a viable and necessary part of the energy mix in Northern New Mexico

The needs for Air Filtration include:

- Working and Growth Capital
- More local skilled workers (basic mathematics, language and interpersonal skills; metalworking)
- As with Renewable Energy, a highly trained Technical and Engineering workforce is required. These workers are currently difficult to find in the region. This is attributed to the fact that Sandia and Los Alamos National Laboratories are fierce competitors for local technical and engineering talent. In addition, there is not a robust base of technically trained workers in Northern New Mexico to begin with.

Taos County

- **Value-Added Agriculture:** There are several successful Value-Added Agriculture/Food Manufacturing operations currently in Taos County. These operations have the potential to provide a wide range of employment, from production/manufacturing to professional employment, such as accounting and marketing. Some general needs of Value-Added Agriculture organizations are listed below:
 - Marketing and Business Development Assistance
 - Growth Capital
 - Distribution Assistance (refrigerated trucks)
 - Some way to decrease the high cost of raw materials
- **Conservation Technologies:** The study focuses on Renewable Energy in Taos County, with an emphasis on Solar and Biomass. There are several Renewable Energy initiatives in Taos that have a high potential to create many jobs and to transform Taos into a national, even global leader in Renewable Energy creation, utilization and innovation. The most appealing aspect of Renewable Energy is the power it exhibits as an economic development tool. Renewable energy creates jobs at several levels of the economy. Solar energy creates job market demand for specialty electricians, plumbers, maintenance workers, energy marketers, solar product inventors, and solar product manufacturers, as well as solar manufacturing workers. Biomass creates jobs for fuel gatherers, fuel transporters, facility builders, facility operators, and energy marketers. The general needs of the Renewable Energy sector are:
 - Growth and Working Capital
 - Non-Fossil fuel subsidies and incentives from Local, State and Federal Government Entities
 - Community and Political education and acceptance of renewable energy as a viable and necessary part of the energy mix in Northern New Mexico
 - Environmental Group buy-in for Biomass project
 - Training for skilled trades people

County/ Industry/ Company	Prospects for Growth	Impediments To Growth/ Needs for Growth	Adding Positions In Next 3 Years? Number?	Positions and Required Skills and Qualifications	Enough Local Workers If no, What's Lacking?
Los Alamos					
Tech. R&D					
R&D 30 (Data from LACDC)	N/A	<ul style="list-style-type: none"> When asked to comment on workforce availability as excellent, good, fair, poor or no opinion, just over 40% of R&D Decision Makers reported Workforce Availability as Fair, while 31% reported Workforce Availability as Poor. 22% reported Housing Availability as Fair and 63% reported it as Poor 95% reported Housing Costs as Poor, and the remaining 5% had No Opinion 	<ul style="list-style-type: none"> As a group, yes The entire industry reports expectations to grow from 253 to 388 total employees within the next year 	<ul style="list-style-type: none"> The five most commonly cited future skill needs were: Engineering (15 companies will need an undisclosed number of engineers), Computer Programming (10), Laboratory Technician (8), Basic Research (5), Other Technical (4) 	N/A
Rio Arriba					
Artisans					
RA Artisan 1	Good	<ul style="list-style-type: none"> Cooperation between various artists, artisan categories and artisinal guilds More venues to exhibit and sell work Business assistance and training for artists, especially in Marketing and Sales 	N/A	N/A	N/A
New Media					
RA New Media 1	Good	<ul style="list-style-type: none"> Difficult to find qualified people; we have to train everyone we hire Need help with business development funding Lack of Executive Mentorship in 	Yes; difficult to say how many.	<ul style="list-style-type: none"> People with some computer programming background. People who are smart, flexible fast learners and who want to be in the software business, with a solid grounding in 	<ul style="list-style-type: none"> No, most responses to job postings come from Abq. Local Workforce doesn't seem to be interested in working

County/ Industry/ Company	Prospects for Growth	Impediments To Growth/ Needs for Growth	Adding Positions In Next 3 Years? Number?	Positions and Required Skills and Qualifications	Enough Local Workers If no, What's Lacking?
		the region		industry standards	in the private sector
Santa Fe					
Conservation Tech. (CT)					
SF CT 1	Excellent	<ul style="list-style-type: none"> • Need Working and Growth Capital • Need More Skilled Laborers • Poor electrical power and communications infrastructure • It is also difficult to attract entry-level engineers because of competition from Sandia and Los Alamos National Laboratories 	Yes, 60 to 100	<ul style="list-style-type: none"> • Engineering (15%), Technical Sales (10%), Accounting (5%), Managerial (10%), Skilled Welding and Metal Working Labor and Non-Skilled Labor (60%) 	<ul style="list-style-type: none"> • No. Lacking Skilled Labor, such as metal workers and welders
SF CT 2	Good, especially if energy prices continue to rise, which is likely	<ul style="list-style-type: none"> • Federal, State and Local Government Policies; there are no subsidies or incentives for renewable energy, as there is with all fossil fuels 	Yes	<ul style="list-style-type: none"> • Engineers • Other highly trained technical workers and researchers 	<ul style="list-style-type: none"> • Engineering and Technical Training
New Media/Film					
SF NM 1	Good to excellent	<ul style="list-style-type: none"> • Right now, we simply do not have the workforce to support a vital New Media Industry, in all of its forms 	N/A	N/A	<ul style="list-style-type: none"> • Need strong worker training and recruitment in targeted New Media Sectors
SF NM 2	Good	<ul style="list-style-type: none"> • Need to bring a steady number of manageable projects (Feature Films, Short Films, Television Programs, Commercials and others) to New Mexico so that people can work regularly • Need to build needed infrastructure, such as Sound Stages, Props, Automatic Dialogue Replacement, Foley, Pre-Production, Post-Production 	<ul style="list-style-type: none"> • Depends on how well the State meets the challenges. At the least, Below the Line jobs should increase 	<ul style="list-style-type: none"> • Below the Line: • Above the Line: 	<ul style="list-style-type: none"> • Training

County/ Industry/ Company	Prospects for Growth	Impediments To Growth/ Needs for Growth	Adding Positions In Next 3 Years? Number?	Positions and Required Skills and Qualifications	Enough Local Workers If no, What's Lacking?
Santa Fe- NM (Cont.)					
SF NM 2 (cont.)		<ul style="list-style-type: none"> • Need to continue training and growing the “Below the Line” workforce, which comprises the crew of a film • Need to work to create an “Above the Line” workforce, which includes Writers, Directors, Producers and Marketers • Must create a positive reputation or brand for the State as a place to film that is less about incentives and more about being an excellent place to film because of great workers, infrastructure, low costs, etc. • TIME IS OF THE ESSENCE; Other States and Nations are creating film incentive packages that are very competitive with New Mexico’s incentives. 			
SF NM 3	Excellent, if we continue to develop our workers and, most importantly, develop infrastructure	<ul style="list-style-type: none"> • The key element is the continued development of the crew base (Below the Line workers), with the goal of creating a world-class crew base • We must also begin developing and/or recruiting an Above the Line workforce • State Government must continue existing support of the film industry and expand that support into all other needed areas 	Yes	<ul style="list-style-type: none"> • Below the Line • Above the Line • Pre-Production • Post-Production 	Yes, with training.

County/ Industry/ Company	Prospects for Growth	Impediments To Growth/ Needs for Growth	Adding Positions In Next 3 Years? Number?	Positions and Required Skills and Qualifications	Enough Local Workers If no, What's Lacking?
Santa Fe- NM (Cont.)					
SF NM 3 (cont.)		<ul style="list-style-type: none"> • Need to move away from being just a Location for filming to creating a true film Industry • Must build comprehensive infrastructure and workforce that can serve needs from pre-production, to production, to post-production • Existing Union rules must be changed to no longer favor Location projects • All efforts in both the private and public sector must be complimentary; New Mexico does not have much time to build an industry before other places catch up. Right now, there are many duplications of effort and different groups pulling in different directions. • Need to focus on Albuquerque, Santa Fe and Taos • Need more support and engagement from: the Investment Community, the Union, Politicians, and the Community at large 			

County/ Industry/ Company	Prospects for Growth	Impediments To Growth/ Needs for Growth	Adding Positions In Next 3 Years? Number?	Positions and Required Skills and Qualifications	Enough Local Workers? If no, What's Lacking?
Santa Fe					
Informatics					
SF I 1	Good, but difficult to say for sure	<ul style="list-style-type: none"> • Santa Fe is lacking a high number of good science and technical people • Need Marketing and Business Development Professionals with National and International Perspective, Contacts and Background with High Tech products and services • Need to address the Educational system • Must develop and/or recruit a vibrant twenty to thirty year old, creative/technical class • Business Development Capital to assist companies in going to the next level with Marketing and Sales • Informatics clusters are beginning to develop in many other National and International markets; As these other clusters develop, the Santa Fe Informatics industry may lose the competitive advantage that it now has, if it is not developed further. 	<ul style="list-style-type: none"> • Yes, low-end 50, high-end 1,000 	<ul style="list-style-type: none"> • Technical: Software Developers • Business Professionals 	N/A

County/ Industry/ Company	Prospects for Growth	Impediments To Growth/ Needs for Growth	Adding Positions In Next 3 Years? Number?	Positions and Required Skills and Qualifications	Enough Local Workers If no, What's Lacking?
Consumer Goods					
SF CG 1	Good to Excellent	<ul style="list-style-type: none"> • Need to develop a professional workforce so that we can source management positions locally • Santa Fe is terribly business unfriendly! This must change • City and County Governments do not work together • Business and Government do not work together • There is a lack of political or business leadership in resolving the adversarial nature of the Business/Political/Community relationship • There is also no leadership on Education Issues • Santa Fe's Political and Business Communities must work jointly to constructively address the core issues of Water, Education, Affordable Housing and Growth • It has been extremely difficult to source upper and executive management positions with workers from the Santa Fe area 	Yes	<ul style="list-style-type: none"> • For all positions, we require a professional attitude and a very strong work ethic • Sales (entry-level): any background • Marketing (entry-level): Marketing Theory at least at the undergraduate level • Finance (entry-level): Strong training in rudimentary accounting at the very least • Executives (all disciplines): Must have at least a national consumer goods perspective 	<ul style="list-style-type: none"> • No • It has been extremely difficult to source all management positions (lower, middle) with workers from the Santa Fe area. • We are extremely hard pressed for trained, skilled professionals in Accounting, Finance, Marketing and Human Resources

County/ Industry/ Company	Prospects for Growth	Impediments To Growth/ Needs for Growth	Adding Positions In Next 3 Years? Number?	Positions and Required Skills and Qualifications	Enough Local Workers If no, What's Lacking?
Santa Fe Consumer Goods (Cont.)					
SF CG 2	Good	<ul style="list-style-type: none"> • Recruiting Professional Operations/Manufacturing employees and Marketing Employees with national consumer goods experience. This is due to the high cost of living and the fact that if our company is not a good fit for the recruit, then there is not much other opportunity for them here. • Low Cost International Competition is starting to become a problem • The work ethic and consistency among manufacturing employees is poor • No local complimentary businesses from which to draw workers and ideas • We need to be able to find and hire Executives, Managers and Professionals with Global Perspective. We can't in Santa Fe 	<ul style="list-style-type: none"> • Possibly. Right now we are focusing on generating more revenue per employee. 	<ul style="list-style-type: none"> • If we add positions, they will most likely be for the retail side of our business. We especially need people who can manage multiple retail locations. 	<ul style="list-style-type: none"> • Manufacturing: Yes • Professional: No; Marketing and Sales people with a national perspective; multi-store managers (retail); Executives with a Global Perspective

County/ Industry/ Company	Prospects for Growth	Impediments To Growth/ Needs for Growth	Adding Positions In Next 3 Years? Number?	Positions and Required Skills and Qualifications	Enough Local Workers If no, What's Lacking?
Santa Fe Consumer Goods (Cont.)					
SF CG 3	Good; Function of the economy, consumer spending and the international value of the dollar	<ul style="list-style-type: none"> • We need capital to grow, but we have a very difficult time getting it • The Living Wage makes it hard to hire new people. As a result, we are instead investing in production equipment • We have to train all of our workers, which can be expensive. • Politics 	<ul style="list-style-type: none"> • Yes, but not sure how many 	<ul style="list-style-type: none"> • Shipping/Logistics • Ceramics Workers • Accounting Assistant 	<ul style="list-style-type: none"> • For production, yes. But we do have to train all new hires • We have a problem with workers not coming to work
Taos					
Conservation Tech.					
T CT 1	Good	<ul style="list-style-type: none"> • Community, Banks and Politicians don't understand the viability and importance of renewable energy • Little to no Government incentives to produce and/or purchase renewable energy, unlike fossil fuels and other more traditional sources of energy • Need to Educate the government and the community on the value and feasibility of renewable energy, especially solar and biomass in Northern New Mexico • Need community and political buy in 	Yes, renewable energy will lead to large scale job creation and economic development in the regional economy	<ul style="list-style-type: none"> • >Biomass: Biomass Harvesters; Biomass Transporters; Biomass Plant Builders and Operators; Marketing of Biomass Power • Solar: Electricians; Solar Panel and Solar Accessory Manufacturers; Solar Installers; Maintenance 	N/A

County/ Industry/ Company	Prospects for Growth	Impediments To Growth/ Needs for Growth	Adding Positions In Next 3 Years? Number?	Positions and Required Skills and Qualifications	Enough Local Workers If no, What's Lacking?
Taos CT (Cont.)					
T CT 2	Extremely High	<ul style="list-style-type: none"> • Can't afford to provide health care to workers, which hinders recruitment • Not enough skilled local workers • No access to Capital • State training programs don't work for businesses that are seasonal • Need incentives to encourage more people to utilize renewable energy • Need stronger energy codes for insulation • Negative perception of renewable/solar energy 	Yes, as many as possible	<ul style="list-style-type: none"> • Skilled Trades people: Electricians and Plumbers; must have strong work ethic, motivation and trade skills; don't have to have background in solar or other renewable energy 	<ul style="list-style-type: none"> • No; local workforce lacks proper skills, training and motivation
Taos					
Food Manufacturing					
T FM 1	Good	<ul style="list-style-type: none"> • Transportation/ Distribution • Sales/Marketing Difficulties • Capital 	Not Sure	<ul style="list-style-type: none"> • Manufacturing/Production: Self-starter, Multi Tasking • Greatest future need may be for professional services (i.e. Accounting, Marketing, Sales) 	<ul style="list-style-type: none"> • Manufacturing/ Production: Yes • Professional Services: Probably Not
T FM 2	Good	<ul style="list-style-type: none"> • Raw Material Costs Higher in Taos; Could be Remedied with a Coop • Shipping Costs Higher in Taos • Need Access to Capital 	Probably	<ul style="list-style-type: none"> • Manufacturing: Self-Starter • Professional: Next hire will likely be an Accountant, then Sales or Business Development; all professional employees must have the appropriate degree and must be exceptionally professional 	<ul style="list-style-type: none"> • Manufacturing Production: Yes • Professional Services: Probably Not

Conclusion and Recommendations

As we review the findings from this study, we anticipate that job creation will occur in the target and other industries discussed on pages 40 to 53; but while we expect that jobs will be created in these areas, we must acknowledge the fact that this study failed to identify a silver bullet for affecting large scale creation of quality jobs. That said, here are some actions that we see as being necessary to continue improving the economy in the Northern New Mexico region.

Not surprisingly, we find more and better guidance to prepare primary and secondary school students for post-secondary schooling and/or career opportunities. A close second is the overwhelming need for various business support activities among small and start-up businesses. Business people and entrepreneurs from a broad spectrum of promising industries cited a lack of business support services as an impediment to growth. The most urgently needed business support services appear to be in Marketing/Business Development and Information Technology. The workforce needs of businesses across the region are as varied as the businesses themselves. However, some common themes are apparent. Efforts to train and recruit a highly talented, diverse workforce (in terms of skills and professions) must continue in earnest, with an emphasis on professionals (business professionals and engineers) and tradespeople (machinists, craftspeople). In many cases these efforts should be expanded. The larger business interviewed (in terms of sales revenues and/or employees) need Marketing Professionals with National/International experience. Other businesses cite a lack of tradespeople (electricians, machinists, plumbers, craftspeople etc.) as an impediment to growth.

Two specific areas of concern that stand out above many others are the perceived closing windows of opportunity for the Informatics and Film/New Media Industries. There is no doubt that the region's competitive advantage in these two industries is waning, though there is still time (and enough talent and vision) to reverse this trend.

Listed below are some general and specific recommendations:

- More small business development assistance and training; this should also include increased marketing efforts on the part of Small Business Development Centers in the region
- Worker Training and development for Business Services:
 - Accounting and Financial Services
 - Business Development, Marketing and Sales
 - Information Technology Services
- More small business access to guaranteed micro-loans
- Training/Retraining Workers in Struggling Industries with Good Jobs, such as Mining and Manufacturing
- Products and Services for Changing Demographics
 - Health Care
 - Finance and Insurance
 - Construction
 - Real Estate
 - High End Goods, Wholesale and Retail

3. In your opinion, what are the impediments to growth in the industries and the companies that you named?

4. Do you think that the local workforce possesses or will possess the skills needed to fill new jobs in the industries that you named? Why or why not?

We sincerely thank you for your time.

Example of Target Industry Questionnaire

Value Added Agriculture Questionnaire UCNNM

We work for the University of California, Northern New Mexico Office. We are the community outreach entity of the University of California in Northern New Mexico. We are currently working on a project that seeks to determine where quality jobs potentially will be created in Los Alamos, Rio Arriba, Santa F and Taos Counties over the next two to three years, in terms of specific industries. The project then seeks to identify what key employers within target industries see as the primary workforce skills needed to help realize the potential growth. A secondary, but equally important component of the study is to discover additional factors that key employers within target industries see as contingent upon growth, such as marketing, infrastructure, politic, community support, complimentary industries, etc.

The following questions are designed to gain your opinion on if, why, and to what extent the Value Added Agriculture industry will grow over the next three years. While your answers to these questions will be used to inform our report, your name and organization will not be cited without your express, written consent. We thank you sincerely for time and consideration in working with us.

The basic question: In your opinion, what is needed for your business and your industry contemporaries in this region to grow in terms of both revenues and the number of workers employed over the next three years?

Specifically, we would like to discuss these needs as they relate to the following factors:

- Workforce
- Infrastructure
- Politics
- Community Support
- Others you see as important

I. Can you please provide a brief overview of your company, as well as the Value Added Agriculture Industry (History, Sub-industries, Types of firms typically operating, Types of Jobs, Types of Complimentary Industries)?

II. Who are the major players (companies, entrepreneurs, govt. agencies, no-profit orgs.)?

- III. In your opinion, are the prospects for growth in your company and the Value Added Agriculture Industry slight, moderate, good, or excellent over the next three years?
- IV. What are the factors that may fuel, or already fuel growth in your company and industry?
- V. What are the factors that may prevent, or already prevent growth in your company and industry?
- VI. How does the local workforce fit into the future picture of the Value Added Agriculture Industry?
- VII. Please consider the following workforce related questions:
- a. What types of positions do you expect needing to fill in your company and in your industry as a whole over the next three years?
 - b. Do you expect to add a substantial number of additional employees within the next three years?

- c. Please describe briefly the worker skills and qualities most strongly associated with each of the positions you anticipate needing to fill in your company and industry.
- d. What specific skills and qualities should potential workers already possess to be considered a candidate for each of the positions?
- e. Do you feel that there are enough qualified workers in the local labor pool for all of the positions you need to fill to fully support the growth potential of your company and industry?
 - 1. If no, please explain what the local labor pool is lacking, relative to needs.
 - 2. Also, if no, what are the constructive ways to deal with the labor shortage?
- f. In your opinion, what are some of the greatest strengths of the local workforce, relative to your needs and the needs of your industry?
- g. In your opinion, what are some of the greatest weaknesses of the local workforce, relative to your needs and the needs of your industry?

IX. Is there anyone else that you would recommend we talk to?

Thank you again for your time and insight.