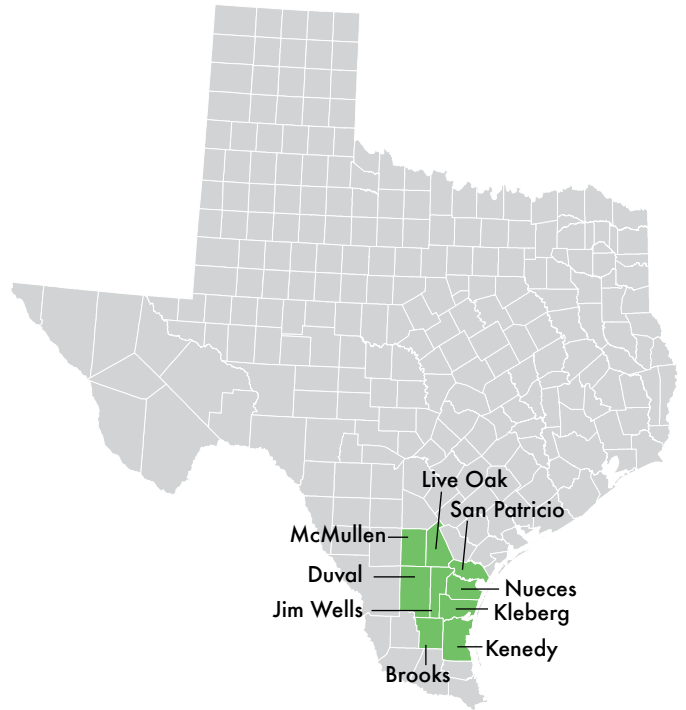


Del Mar College SBDC

The SBDC business advisors provide training and consulting to small business owners at Del Mar College in Corpus Christi.

Corpus Christi is “Texas With a Tropical Twist,” a coastal, year-round visitor destination and meeting site for over five million people a year. Located on the Gulf of Mexico, Corpus Christi is the second most popular vacation destination in the state of Texas. The wonderful climate and proximity to the water contribute to special attractions such as the Texas State Aquarium, Mustang Island State Park, the Corpus Christi Botanical Gardens.

Texas A&M – Corpus Christi and Del Mar College offer higher education opportunities for the coastal bend. The Corpus Christi area is also home to three major military facilities: Naval Air Station Corpus Christi, which includes Corpus Christi Army Depot; Naval Air Station Kingsville, and Naval Station Ingleside. The



Small businesses make up over 95 percent of firms in Corpus Christi and are an integral part of the economy. Incentives for businesses include a Renewal Community designation - one of only 40 nationwide.



Corpus Christi Army Depot, with 2,360 employees, is the largest industrial employer in the Corpus Christi Region. The three military facilities collectively employ over 10,000 people. Recent BRAC recommendations for the relocation of Naval Station Ingleside and further reductions at Naval Air Station Corpus Christi will have substantial impacts on the local economy throughout the next six years.

Corpus Christi is among the largest sea ports in the United States, and trade transportation is a major economic engine for the region. The Port of Corpus Christi has a central location advantage as well as the benefit of having a 45 foot channel depth, over 125 acres of open storage and fabrication sites, and

10 counties make up the Corpus Christi Field Center Area

Del Mar College
SBDC

excellent highway access. The Port annually ships over 86 million tons of break bulk, grain, chemicals, dry bulk, liquid bulk and petroleum.

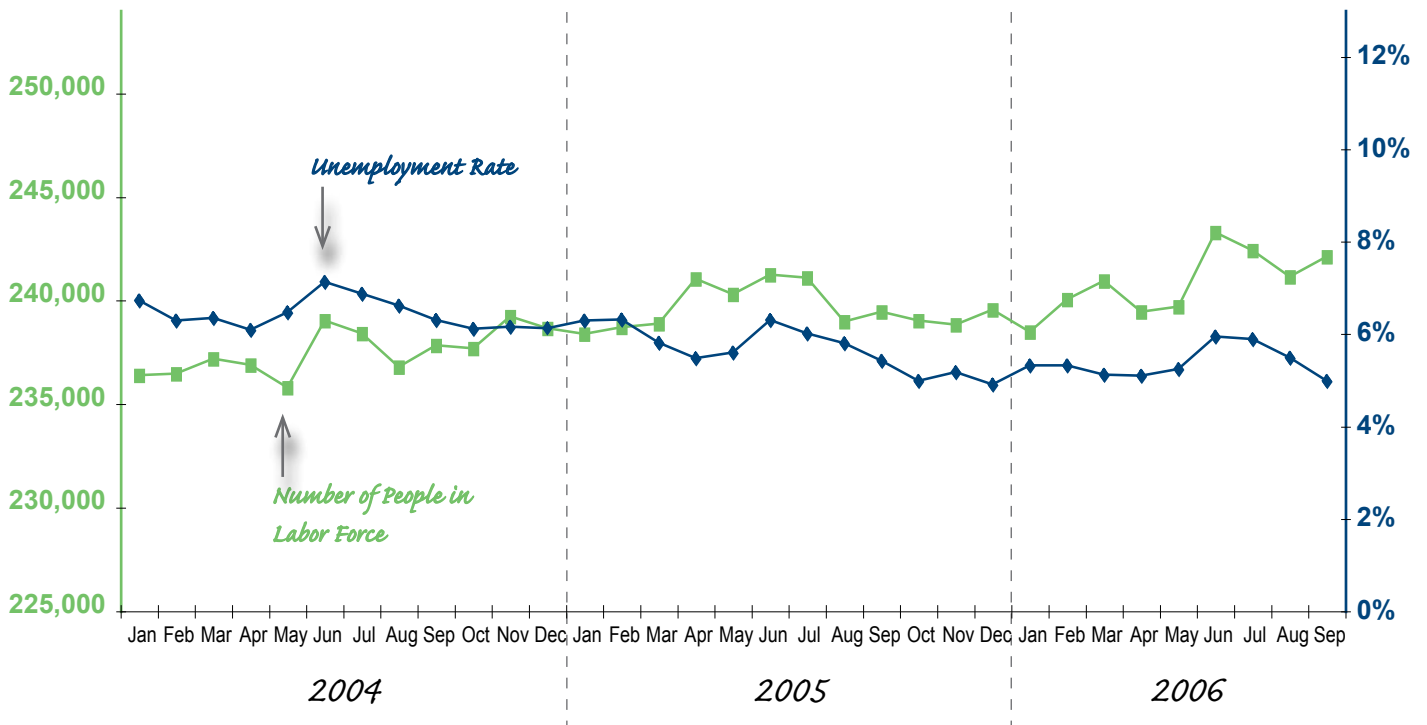
The petrochemical, healthcare, and hospitality sectors are also an important part of the Corpus Christi economy. Small businesses make up over 95 percent of firms in Corpus Christi and are an integral part of the economy. Incentives for businesses include a Renewal Community designation (one of only 40 nationwide), industrial districts, enterprise zones, a foreign trade zone, property tax abatements, and job training programs. The Corpus Christi area is a great place for small business.

Labor Market Highlights

The Corpus Christi field center area mostly gained ground within a narrow band through 2004 and 2005. That is, despite its spikes in labor force in the summers of 2004 and 2005, the variation represents a small range between 236,000 and 241,000 workers.

Unemployment, on the other hand, has trended downward over the time period. The unemployment rate dropped nearly two full points from the beginning of 2004 (6.7%) to the end of 2005 (4.9%).

Size of Labor Force and Unemployment Rate
Since 2004



Del Mar College SBDC Area: 8 counties
Data Source: Texas Workforce Commission

The Field Center Area Jobs chart shows both the number of jobs in field center counties and the concentration of the industry relative to the rest of the state at the end of the first quarter of 2005. Nueces County (Corpus Christi) exerts a strong influence on the field center numbers since it accounts for 74 percent of the jobs.

The “field center ratio” shows the proportion of industry jobs compared to all jobs in the area. Consistent with other southwest Texas field center areas, nearly half of the jobs in the Corpus Christi field center area are in two industries: education and health services (0.282); and trade, transportation, and utilities (0.188).

The question of whether these industry ratios are high

or low can be determined by comparing them with the proportions that the industry represents in the rest of the state. For example, the field center area reports 17,087 professional and business service jobs, which is just over 8 percent of all jobs in the area. To reflect the state average, the proportion needs to be nearly 12 percent of jobs in this industry. Dividing 0.086 (the field center ratio) by 0.119 (the state ratio) yields a quotient of 0.73. This number is referred to as a “location quotient.” When the location quotient is less than 1.0, the area industry is under-represented relative to the state. When the location quotient is greater than 1.0, the area industry is over-represented relative to the state. So, a quotient of 0.73 indicates that the professional and business service industry is under-represented in the Corpus Christi field center area.

Field Center Jobs Per County by Industry

	Brooks	Duval	Jim Wells	Kenedy	Kleberg	Live Oak	McMullen
Natural Resources & Mining	227	756	3,120	273	735	251	42
Construction	114	300	532	0	342	139	0
Manufacturing	0	0	303	0	182	0	0
Trade, Transportation & Utilities	331	389	3,129	11	2,064	547	29
Information	16	0	89	0	94	9	0
Financial Activities	63	55	788	0	440	117	0
Professional & Business Services	153	0	451	9	504	56	0
Education & Health Services	840	980	5,564	0	5,407	542	0
Leisure & Hospitality	293	69	1,178	24	1,240	351	0
Other Services	64	240	334	12	389	69	0
Public Administration	276	492	476	0	824	450	44
Unclassified	0	0	3	0	0	0	0
Total Jobs	2,377	3,281	15,967	329	12,221	2,531	115

What industries have a particular foothold in the Corpus Christi Field Center? Three are particularly prominent. The first is the largest industry in the field center area, education and health services, which accounts for 28.2 percent of jobs. Education and health services is also a prominent industry for the state as a whole, but only represents 22.8 percent at that level.

Second is the construction industry, where the nearly 16,000 jobs represent 8 percent of the labor force. At the state level, construction jobs represent little more than 6 percent of the whole. The third concentration industry in the Corpus Christi field center area is natural resources and mining, which has a particular concentration in Jim Wells County. Although it is a

small industry in absolute terms (about 9,000 jobs), it is over-represented relative to the state. The Corpus Christi field center area could cut its natural resources and mining jobs in half and still keep pace with the state average.

The well-balanced Corpus Christi field center area is not lagging substantially in any industry. However, advances in one industry reflect lags in others, and the information (just over 3,000 jobs) industry is noticeably under-represented in the Corpus Christi area. Nonetheless, the area would not have to add many jobs in this industry to suddenly keep pace with the state.

Field Center Jobs

Per County by Industry Continued

	Nueces	San Patricio	Region	Region Ratio	State	State Ratio	Region-State Location Quotient
Natural Resources & Mining	3,505	857	9,766	0.049	236,676	0.024	2.00
Construction	12,833	2,358	16,618	0.083	623,516	0.064	1.29
Manufacturing	12,531	1,771	14,787	0.074	913,295	0.094	0.78
Trade, Transportation & Utilities	28,390	2,625	37,515	0.187	2,109,207	0.217	0.86
Information	2,442	192	2,842	0.014	229,125	0.024	0.60
Financial Activities	6,926	494	8,883	0.044	614,050	0.063	0.70
Professional & Business Services	15,696	879	17,748	0.088	1,205,726	0.124	0.71
Education & Health Services	37,966	4,069	55,368	0.275	2,180,498	0.224	1.23
Leisure & Hospitality	17,752	1,607	22,514	0.112	926,487	0.095	1.18
Other Services	4,759	346	6,213	0.031	275,574	0.028	1.09
Public Administration	5,195	1,022	8,779	0.044	408,555	0.042	1.04
Unclassified	101	9	113	0.001	10,958	0.001	0.50
Total Jobs	148,096	16,229	201,146		9,733,667		

Data Source: Texas Workforce Commission

County Business Patterns 2004

	'14'	'5-9'	'10-19'	'20-49'	'50-99'
Forestry, fishing, hunting, & agricultural support	19	2	1	2	2
Mining	149	34	34	30	17
Utilities	24	5	3	10	4
Construction	491	146	96	55	13
Manufacturing	128	49	39	39	17
Wholesale trade	251	125	110	63	13
Retail trade	749	525	258	122	45
Transportation & warehousing	182	64	44	48	11
Information	87	25	27	24	7
Finance & insurance	493	145	79	40	13
Real Estate & rental & leasing	362	122	54	27	6
Professional, scientific & technical services	642	175	91	62	8
Management of companies & enterprises	23	8	9	8	0
Admin, support, waste mgt, remediation services	219	78	48	46	20
Educational services	35	21	17	12	3
Health care and social assistance	615	275	167	103	48
Arts, entertainment & recreation	64	26	24	7	7
Accommodation & food services	328	204	264	231	66
Other services (except public administration)	700	246	149	64	14
Unclassified establishments	45	5	2	0	0
Total	5,606	2,280	1,516	993	314

County Business Patterns

2004 Continued

	'100-249'	'250-499'	Over 500	Total	1-4%
Forestry, fishing, hunting, & agricultural support	0	0	0	26	73%
Mining	3	1	0	268	56%
Utilities	1	0	0	47	51%
Construction	7	4	3	815	60%
Manufacturing	8	3	8	291	44%
Wholesale trade	3	0	0	565	44%
Retail trade	31	7	0	1,737	43%
Transportation & warehousing	2	1	0	352	52%
Information	1	2	0	173	50%
Finance & insurance	2	0	0	772	64%
Real Estate & rental & leasing	2	1	0	574	63%
Professional, scientific & technical services	4	0	0	982	65%
Management of companies & enterprises	4	0	0	52	44%
Admin, support, waste mgt, remediation services	15	5	2	433	51%
Educational services	3	0	0	91	38%
Health care and social assistance	41	11	8	1,268	49%
Arts, entertainment & recreation	5	0	0	133	48%
Accommodation & food services	7	1	0	1,101	30%
Other services (except public administration)	2	0	0	1,175	60%
Unclassified establishments	0	0	0	52	87%
Total	141	36	21	10,907	51%