



# ANNUAL REPORT

2019

Understanding existing businesses is fundamental to all successful economic development strategies. BEST of Iowa is a unique collaboration with local developers, utilities and the Iowa Economic Development Authority to provide the tools and resources to support an effective statewide program. Throughout the year, the partners meet with companies in the state's targeted industries that impact the local state revenue base. The data and information collected is analyzed to identify opportunities, challenges, and key trends.

The BEST of Iowa is focused on strengthening policies and programs that provide valuable support for our businesses and communities. More than 1,200 companies in 66 counties were interviewed in 2019. The BEST of Iowa Management Team continues to bolster the engagement of local partners to elevate this critical work that drives local, county, regional and state business retention, expansion and attraction successes. All economic development organizations are encouraged to embrace and enhance this coordinated existing business strategy effort. The long-standing benefits of knowing and assisting local companies will strengthen the sustainability of Iowa and its communities. BEST of Iowa is pleased to present the 2019 trend analysis of Iowa's business climate.

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# KEY FINDINGS AND CONCLUSIONS



## Workforce – No Time Like the Present: Iowa’s workforce must be enhanced and grown

Almost three-quarters reported workforce recruitment problems. In addition, workforce availability scores have been decreasing for five years with 2019 being the lowest. A total of 4,799 unfilled positions were reported, but this represents only 55% of the companies interviewed. **Call to Action:** We must continue to grow and expand current technical training, trade and collaborative technology programs as well as Future Ready Iowa and workforce housing initiatives. This issue can only be addressed by the combined efforts of state, regional and local constituencies working together.

## Sites, Buildings & Infrastructure – Missed Opportunities or Maximizing Potential: Enhancement of community assets must be supported statewide

Roughly 40% have plans to expand over the next three years, but reported they have no room at their current location. Even with only data from one-third of these companies, this translates to a potential loss of \$343.5 million in expansion investment opportunities and 1,759 new jobs. These companies also reported the availability and cost of land and buildings as being another important barrier to growth in their current community. **Call to Action:** We must continue to support certified site selection programs and also offer technical assistance and other resources to communities with expanding businesses.

## Innovation – A Mixed Bag for Innovation: Innovation must be encouraged and supported for all Iowa companies

It is encouraging to see that almost two-thirds of the companies anticipate introducing a new product/service over the next two years. However, just over 45% reported they do not invest in research and development activities and may be missing opportunities to innovate. Additionally, 22.3% stated they had not introduced a new product/service in the past five years and have no plans to do so in the next two years. **Call to Action:** We must continue to support current research and development tax credits and efforts to support and encourage Iowa companies to innovate.

## Market & Industry Environment – Growth in Unstable Market Environment: Economic development policies and practices must be timely and remain proactive to support Iowa businesses competing in a rapidly changing market place

While most of the companies reported increasing sales and market share, almost 20% stated their industry was under capacity, which could signal possible future industry consolidation that could negatively impact Iowa facilities. Additionally, 45% stated that merger, acquisition or divestiture activity was increasing within their industry. **Call to Action:** We must initiate and maintain contact with companies headquartered in Iowa and beyond to make certain they are aware of opportunities within our state, ensuring Iowa is the preferred place for their growth.

## Adverse Legislation & Public Policy – Public policies and regulations adversely affecting many Iowa companies

Almost 45% stated federal, state or local legislation changes will adversely affect their business in the next five years with tariffs specifically cited by almost 30%. Other adverse legislation or public policies most identified included environmental, labor, and workplace regulations. **Call to Action:** We must speak with one voice on legislative and public policy changes for tariffs, trade and the United States–Mexico–Canada Agreement (USMCA). EDO’s across Iowa should also continue to communicate their businesses’ needs and the negative local impacts of federal policies.

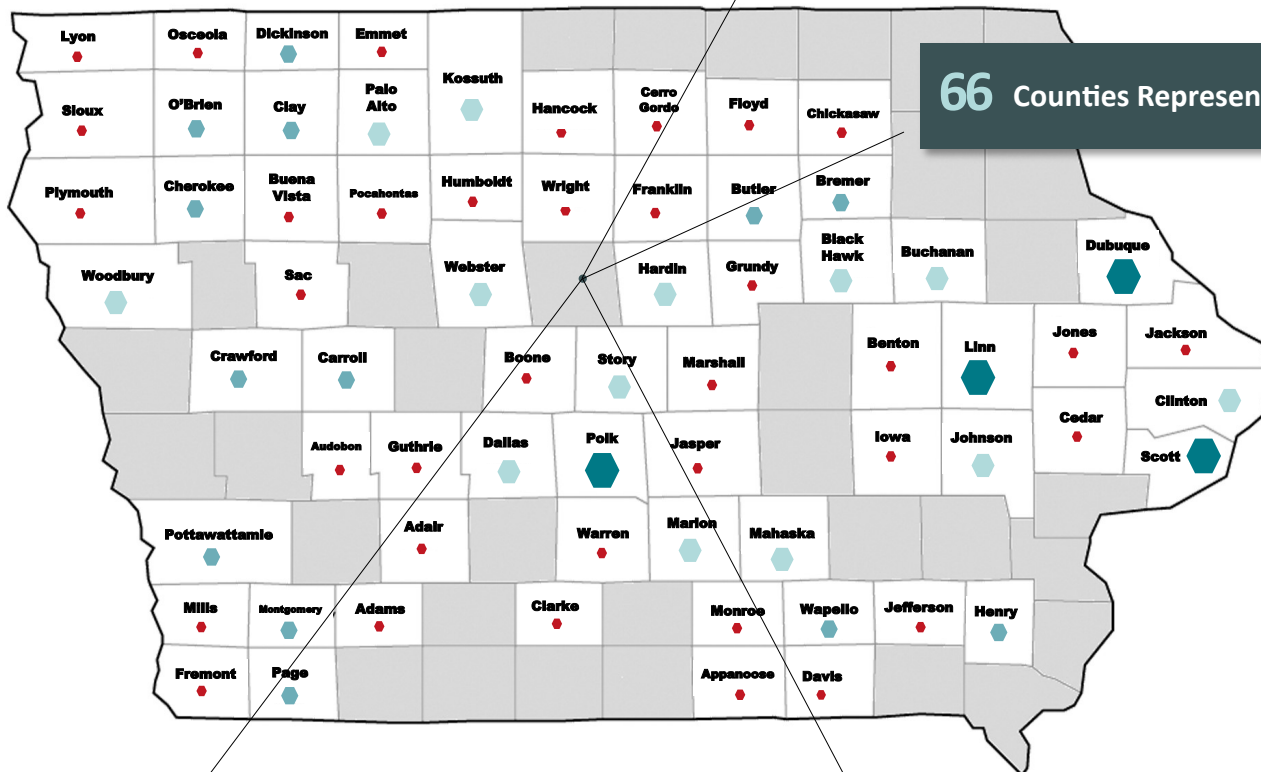
# DEMOGRAPHICS

The 2019 BEST of Iowa Annual Report focuses on interviews completed with Iowa companies that are in one of the twelve distinct industry clusters driving Iowa's economy or were identified as major employers by the BEST of Iowa Management Team. The industry clusters were identified in 2014 by the Battelle Technology Partnership Practice on behalf of the Iowa Partnership for Economic Progress (IPEP).

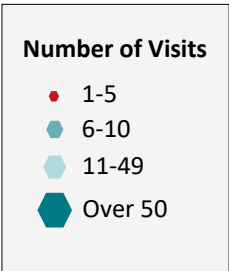
## Visits by County—2019

**165** Communities Represented

**66** Counties Represented

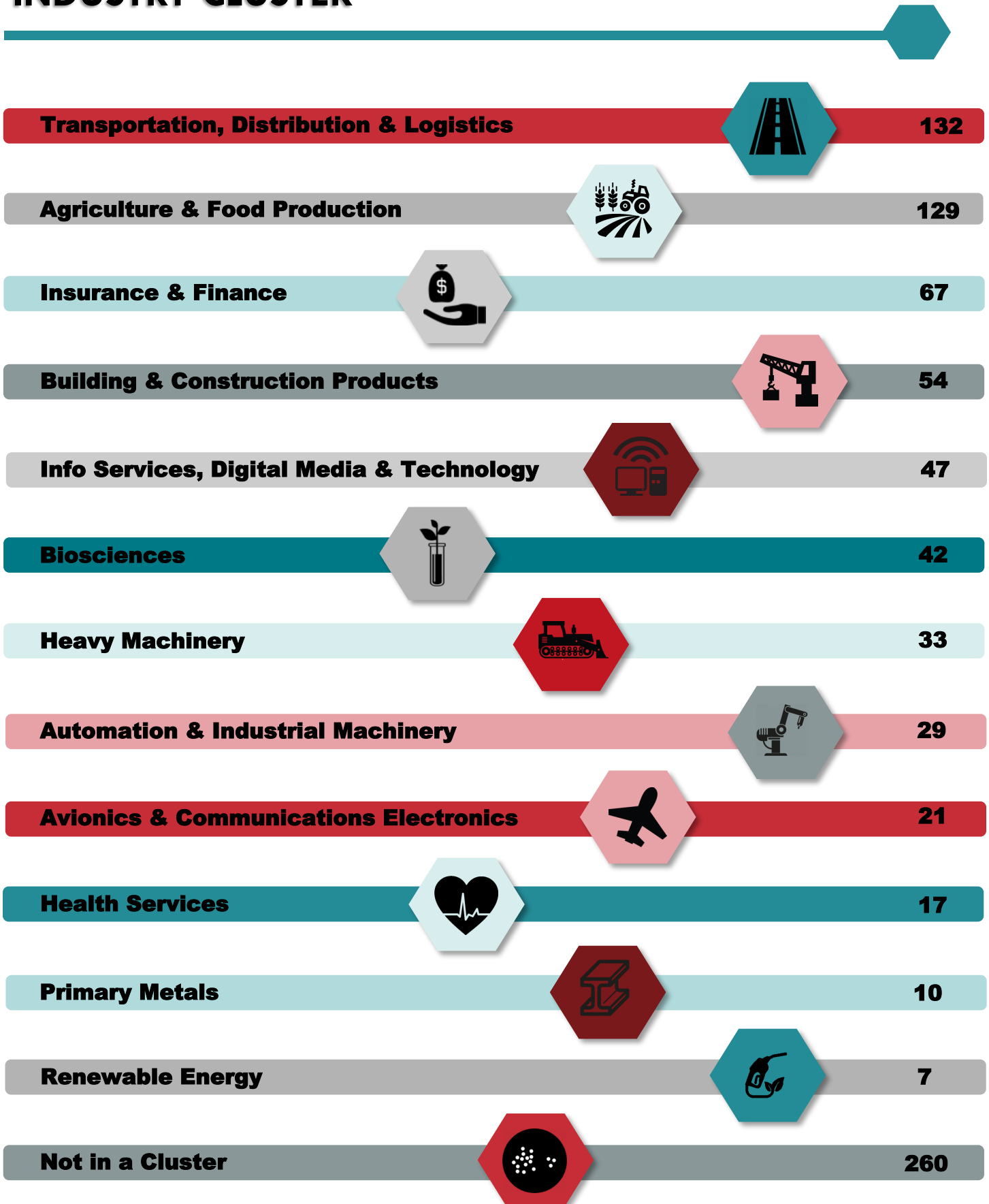


**41.5%** Located in NON-METRO Counties



**58.5%** Located in METRO Counties

# COMPANIES INTERVIEWED BY BATTELLE INDUSTRY CLUSTER



# NUMBER OF COMPANIES INTERVIEWED BY INDUSTRY SECTOR

<b>Manufacturing</b>	<b>462</b>
<b>Wholesale Trade</b>	<b>102</b>
<b>Finance and Insurance</b>	<b>67</b>
<b>Professional, Scientific &amp; Technical Services</b>	<b>46</b>
<b>Transportation &amp; Warehousing</b>	<b>33</b>
<b>Information</b>	<b>32</b>
<b>Retail Trade</b>	<b>25</b>
<b>Health Care &amp; Social Assistance</b>	<b>23</b>
<b>Agriculture, Forestry, Fishing &amp; Hunting</b>	<b>22</b>
<b>Construction</b>	<b>12</b>
<b>Administrative and Support &amp; Waste Management</b>	<b>8</b>
<b>Educational Services</b>	<b>4</b>
<b>Mining, Quarrying &amp; Oil and Gas Extraction</b>	<b>4</b>
<b>Real Estate &amp; Rental and Leasing</b>	<b>3</b>
<b>Other Services (except Public Administration)</b>	<b>2</b>
<b>Accommodation &amp; Food Services</b>	<b>1</b>
<b>Arts, Entertainment &amp; Recreation</b>	<b>1</b>
<b>Utilities</b>	<b>1</b>

# TOP 3 EMERGING and GROWING SECTORS

**86.0%**

## **Professional, Scientific & Technical Services**

Iowa's top Emerging and Growing sector—*Professional, Scientific & Technical Services*—is comprised of 45 companies that employ more than 3,400 Iowans. Thirty-five have introduced new products or services in the last five years and 34 anticipate new products in the next two years.

The 32 *Information* sector companies interviewed employ 3,157. Twenty-seven of them have introduced new products or services in the past five years and 27 have plans to introduce a new product/service in the next two years.

**77.4%**  
**Information**

**71.9%**  
**Insurance & Finance**

The *Insurance & Finance* sector employs 28,811 across 67 participating companies. Forty-five have introduced new products or services in the last five years and 44 plan to do so in the next two years.

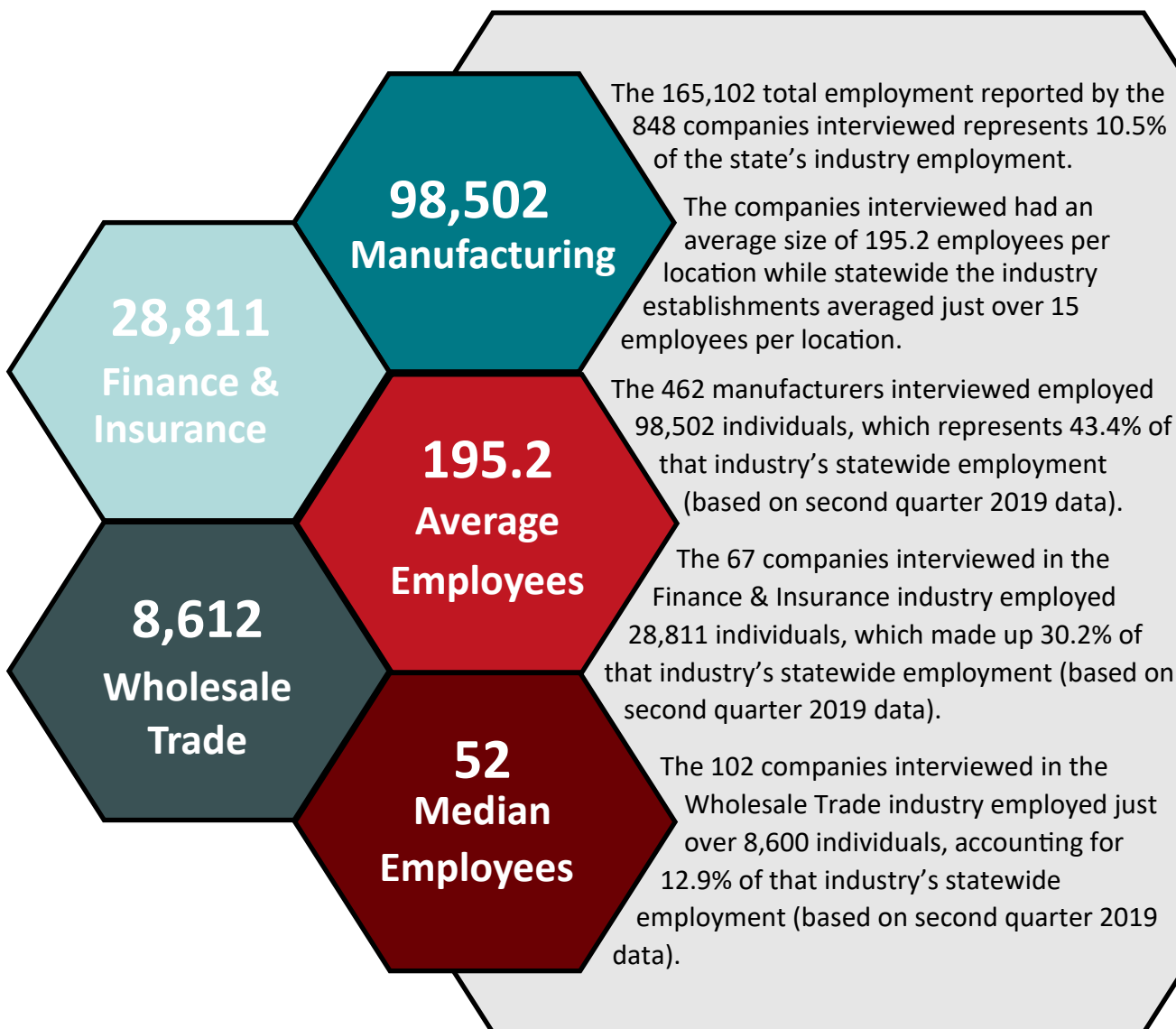
# EMPLOYMENT SIZE

According to the Iowa Workforce Development's Quarterly Census of Employment and Wages, the statewide total industry employment in the second quarter of 2019 averaged 1,567,918.

Through the first nine months of 2019, the statewide unemployment rate averaged 2.4%, a historic low rate that is significantly impacting Iowa employers as they struggle to fill open positions.

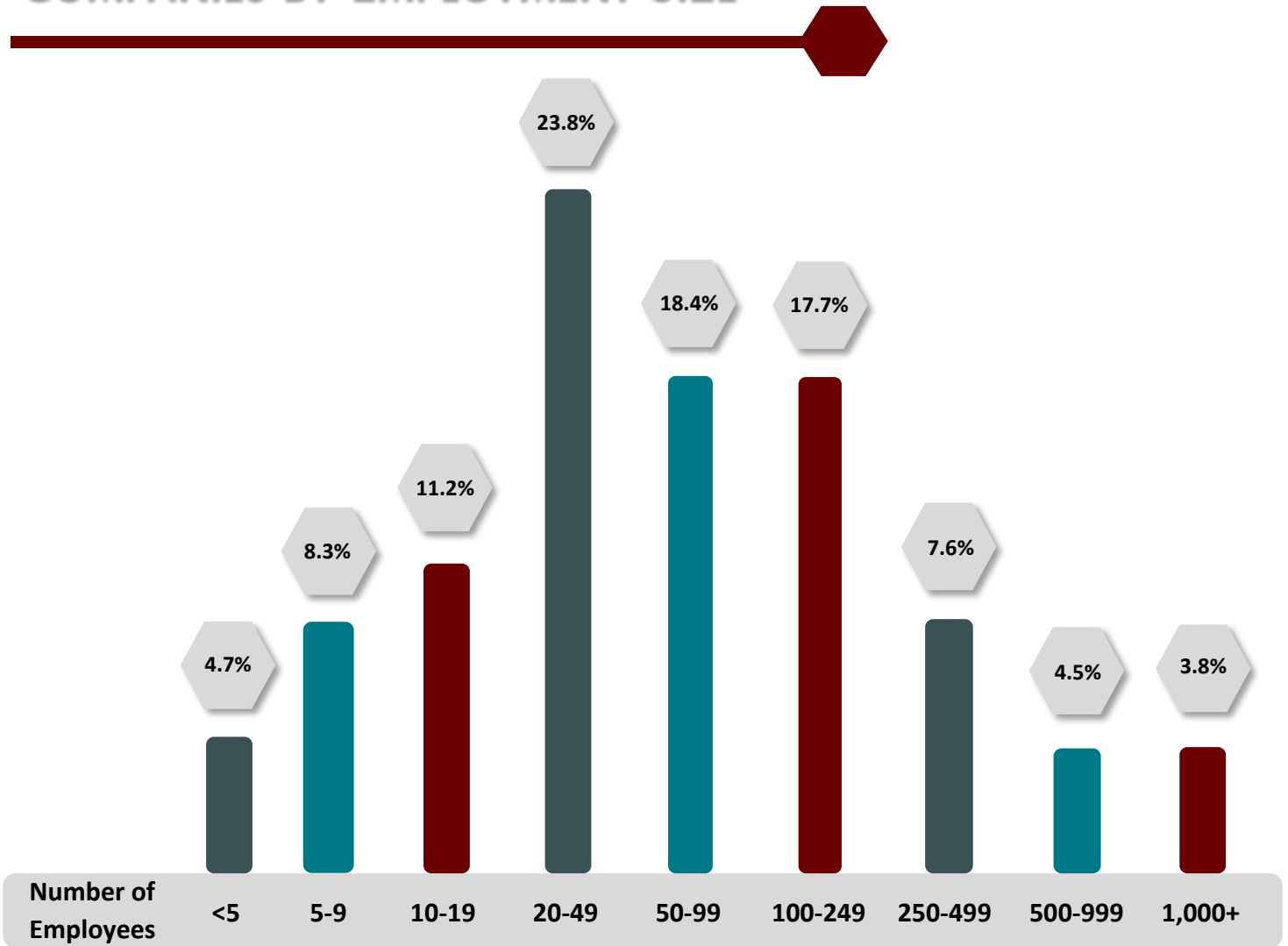


**Total  
Employment  
165,102**





# COMPANIES BY EMPLOYMENT SIZE

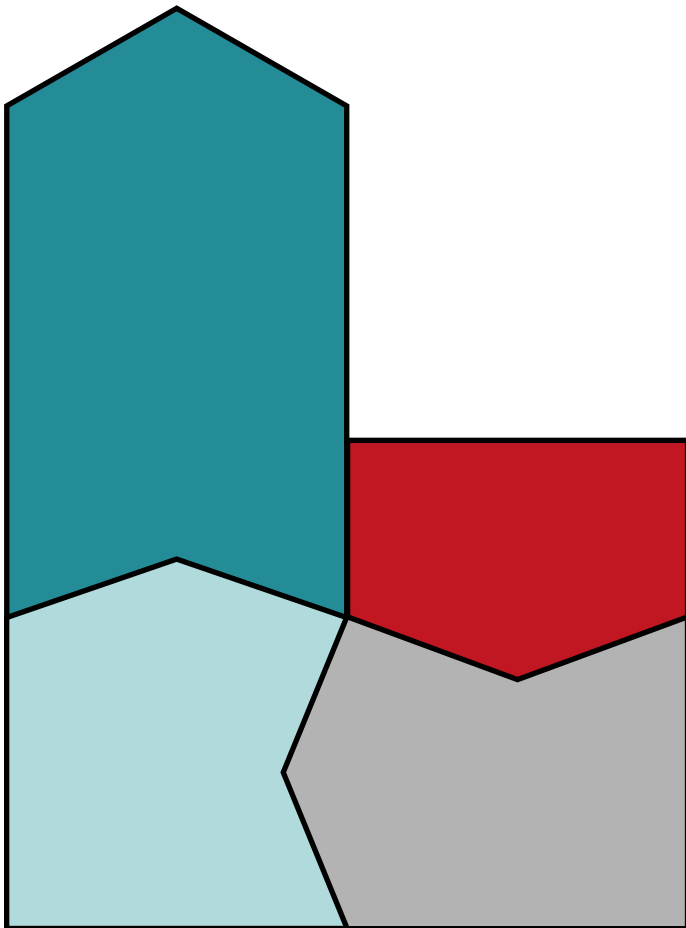


**42.2%**

of the companies interviewed employ between 20 to 99 employees. Industry clusters reporting the highest number of companies with 20 to 99 employees include: *Transportation, Distribution & Logistics* (62); *Agriculture & Food Production* (47); *Building & Construction Products* (25); *Biosciences* (26); and *Insurance & Finance* (22).

The top two clusters by total employment were *Agriculture & Food Production* (36,124) and *Insurance & Finance* (28,811). The lowest was *Primary Metals* (754). The *Avionics & Communication Electronics* cluster had the highest average number of employees (524.1), while *Transportation, Distribution & Logistics* had the lowest average (84.4).

# PRIMARY PRODUCT/SERVICE LIFE CYCLE



## 64.4% **GROWING**

Over 60% of the companies have a growing primary product/service. These 527 companies employ 119,054 in 60 counties and 130 different cities.

## 5.9% **EMERGING**

49 companies have an emerging primary product/service. They employ 9,851 in 24 counties and 31 different cities.

## 27.1% **MATURING**

221 companies have a maturing primary product/service. They employ 24,680 in 45 counties and 81 different cities.

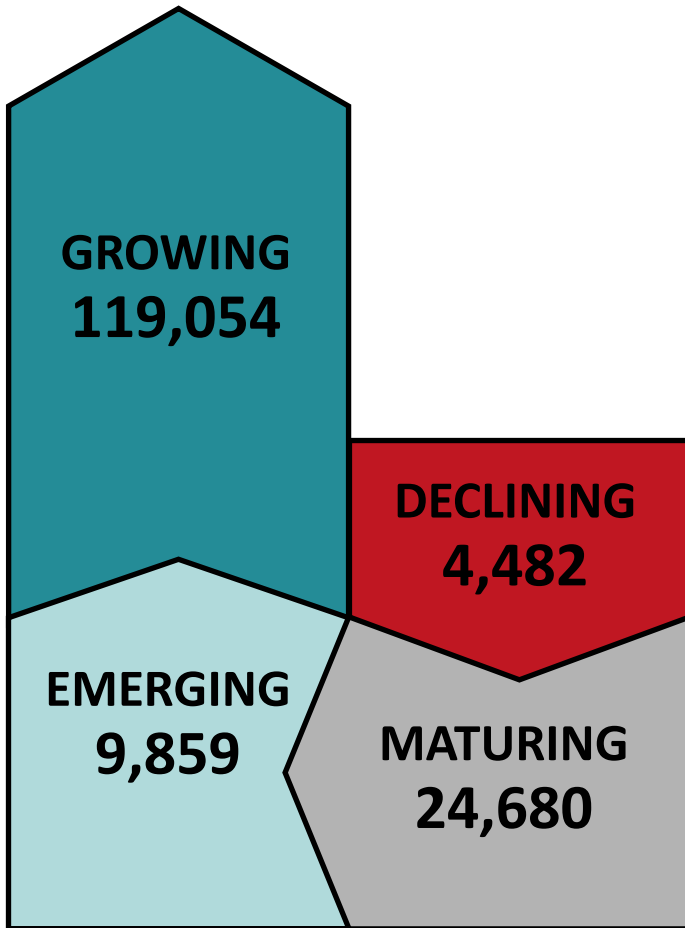
## 2.5% **DECLINING**

Only twenty companies have a declining primary product/service. They employ 4,482 in 11 counties and 13 different cities.

With 527 Iowa companies reporting their primary products or services in the growing stage, many of these companies will be focused on building brand preference and market share. These companies should continue to increase demand with little competition while promoting their offering to a larger and/or broader audience.

The 221 companies reporting maturing primary products or services will likely experience diminishing sales and will seek to defend their market share while also maximizing profit. This may be challenging due to higher levels of competition that often leads to lower pricing or the need to differentiate the product through new innovation.

# TOTAL EMPLOYMENT BY LIFE CYCLE OF PRIMARY PRODUCT/SERVICE



The employers who stated their primary product/service was growing or emerging were located in 62 counties and 136 different cities. 61.0% are located in metro counties and 39.0% in non-metro counties.

The employers who stated their primary product/service was maturing or declining were located in 47 counties and 83 different cities. 53.1% are located in non-metro counties with the remaining 46.9% in metro counties.

Growing (74.6%) and emerging (73.5%) companies, in addition to maturing (25.5%) and declining (21.9%) companies reported nearly equal levels of workforce recruitment problems and anticipate significant workforce changes. However, growing and emerging companies, on average, have a higher number of unfilled positions but nearly equal expectation of continued increasing unfilled positions. As would be expected, growing and emerging companies reported significantly higher increasing market share and sales as compared to maturing and declining companies.

# BUSINESS EXPANSION: Iowa's Emerging & Growing

## Companies Have Plans to Expand – but FACE CHALLENGES

46.0%

(375 COMPANIES)

PLANS TO EXPAND

Just under half of the companies are reporting plans to expand in the next three years. The estimated reported total investment (*among the 126 companies providing data*) is \$2.4B and the total estimated number of new jobs created is 4,488. The aggregate totals for new investment and new jobs are likely low since only one third of the companies who stated they plan to expand in the next three years provided data on their estimated total investment and total jobs.

### Top Industry Sectors based on New Jobs

1. Manufacturing (3,006)
2. Finance & Insurance (518)
3. Wholesale Trade (283)
4. Information (230)
5. Professional, Scientific & Technical Services (167)

### Top Industry Sectors based on Total Investment

1. Manufacturing (\$1.787 B)
2. Information (\$408 M)
3. Wholesale Trade (\$75 M)
4. Finance & Insurance (\$74 M)
5. Health Care & Social Assistance (\$31 M)

Just over 40% of the 375 companies with plans to expand reported no room for expansion at their current location. 65.4% are located in metro counties and 49.0% are manufacturers. This represents a reported \$343M in total new investment and 1,759 new jobs.

40.8%

(153 COMPANIES)

NO ROOM FOR  
EXPANSION

22.2%

(81 COMPANIES)

COMMUNITIES MAY  
NOT BE CONSIDERED  
FOR EXPANSION

Of the total 375 companies with plans to expand, 22.2% may not consider their current community for future expansion. The top obstacle again was workforce related, specifically, inadequate supply of skilled and unskilled workers. Also identified were land availability or costs and access to markets. This represents a reported \$289M total new investment and 681 new jobs.

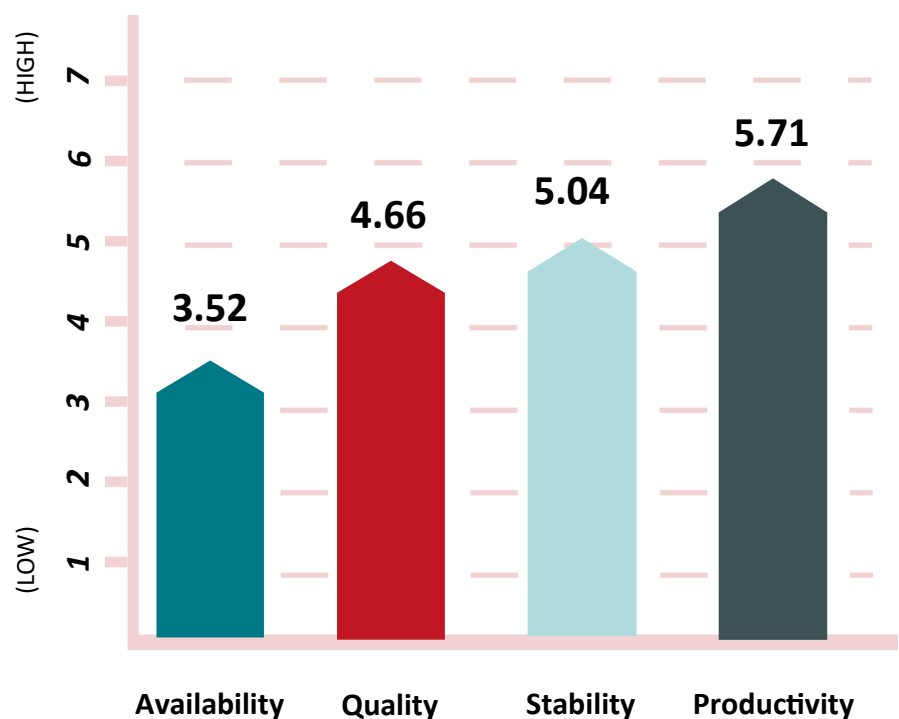
## AMONG THE COMPANIES WITH PLANS TO EXPAND . . .

- 55.6% (180 companies) stated that merger, acquisition or divestiture activities in their industry are increasing.
- 21.1% (66 companies) stated that production in their industry is under capacity, while 62.9% (197 companies) said industry production was balanced.
- 81.4% (289 companies) with expansion plans in the next three years stated they were experiencing recruitment problems.
- These companies stated they had 3,063 unfilled positions at the time of their interview.
- 32.5% (107 companies) stated the number of unfilled positions was increasing.
- 59.0% (108 companies) of those who answered the question stated their primary recruitment problems were limited to their industry as opposed to their community.

## COMPANIES WITH EXPANSION PLANS - AVERAGE WORKFORCE RATINGS

Among the 375 companies with expansion plans, Workforce Productivity was rated highest, followed by Workforce Stability and Workforce Quality.

However, 71.1% or 54 companies rated Worker Availability in their area as low (rating 3 or lower), with an average of 3.52 on a scale of 1 (low) to 7 (high).



# PRODUCTS & SERVICES

**544**  
**Companies stated they anticipated introducing a new product or service over the next two years.**

Of the companies who anticipate introducing a new product or service in the next two years:

- 41 companies (7.6%) stated their primary product/service was *EMERGING*
- 368 companies (68.7%) stated their primary product/service was *GROWING*
- 114 companies (21.3%) stated their primary product/service was *MATURING*
- 13 companies (2.4%) stated their primary product/service was *DECLINING*

Of the companies who introduced a new product or service over the past five years:

- 42 companies (7.4%) stated their primary product/service was *EMERGING*
- 390 companies (69.1%) stated their primary product/service was *GROWING*
- 118 companies (20.9%) stated their primary product/service was *MATURING*
- 14 companies (2.5%) stated their primary product/service was *DECLINING*

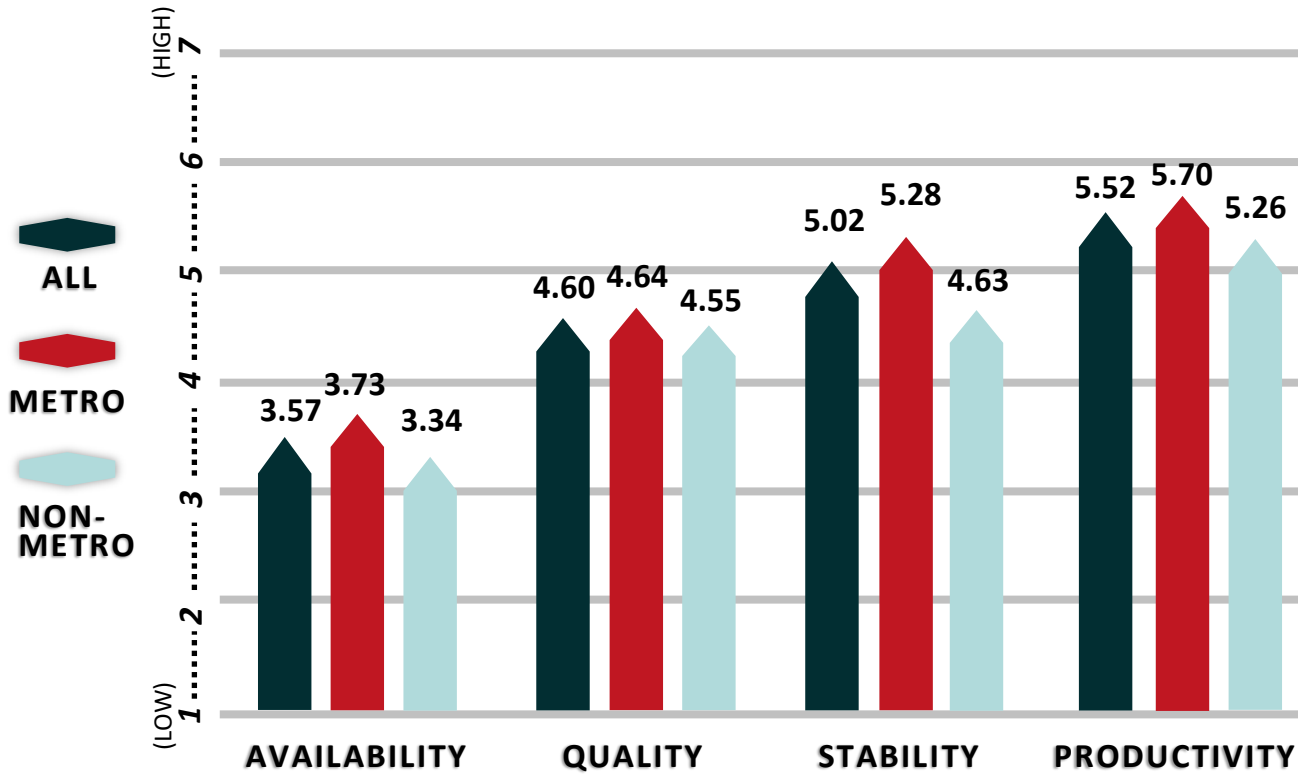
**573**  
**Companies stated they had introduced a new product or service over the past five years.**

**182**

Companies (22.3%) stated they had not introduced a new product or service over the past five years and did not anticipate doing so in the next two years.

# WORKFORCE

## AVERAGE RATINGS



Companies were asked to provide ratings for four key workforce areas: Availability, Quality, Stability and Productivity using a scale of 1 (low) to 7 (high). Of the four workforce areas, Availability had the lowest average rating at 3.57, while Productivity had the highest average rating at 5.52.

In all four areas, the average rating by companies in non-metro counties was lower than companies in metro counties.

**49.1%**

(401 COMPANIES)

of the companies providing information rated worker availability a 3 or lower.

**28.8%**

(235 COMPANIES)

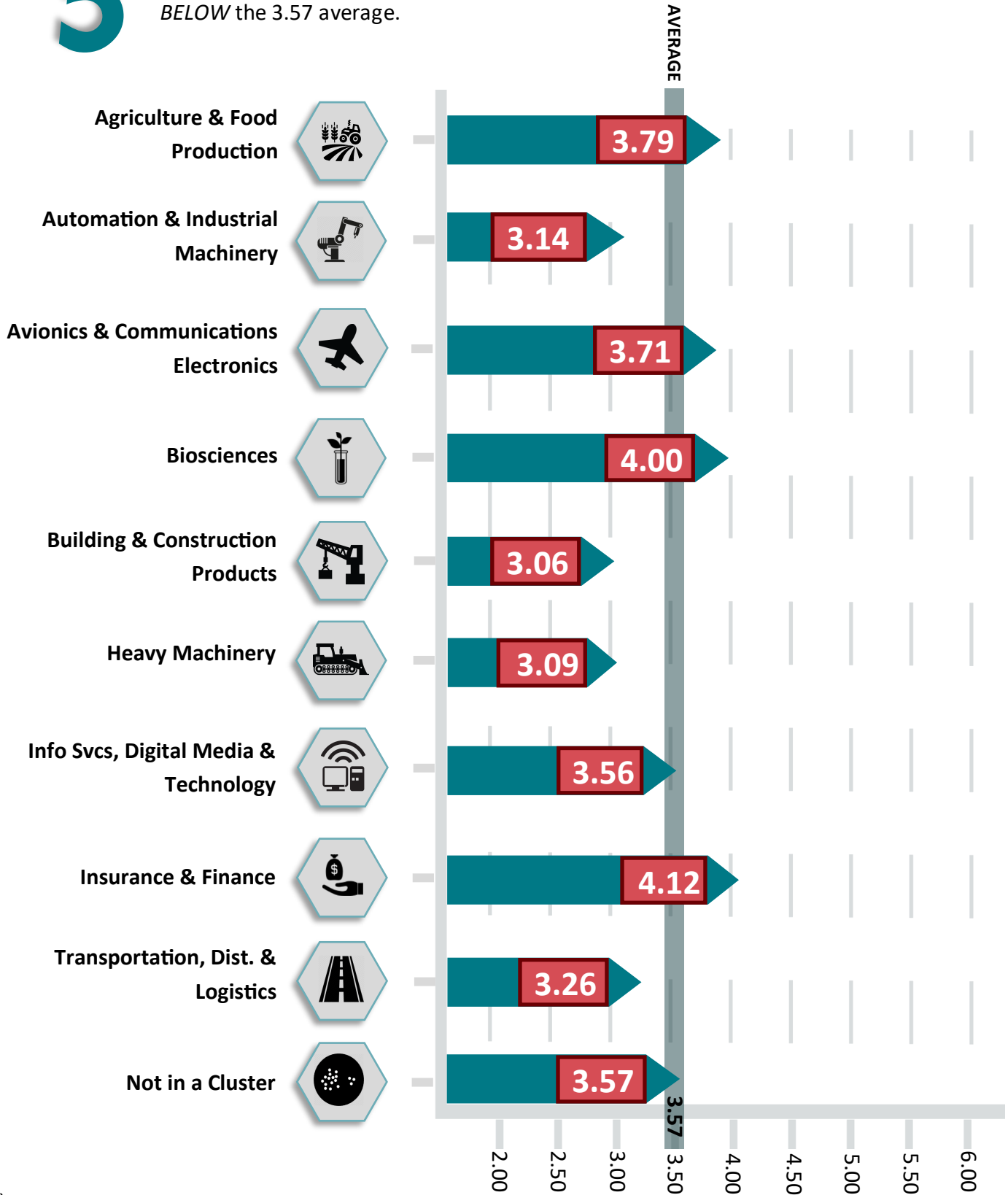
of the companies providing information rated worker availability a 5 or higher.

# WORKFORCE AVAILABILITY—AVERAGE RATINGS

Among the industry clusters with 20 or more completed interviews:

# 5

Clusters had an average rating for Workforce Availability *BELOW* the 3.57 average.

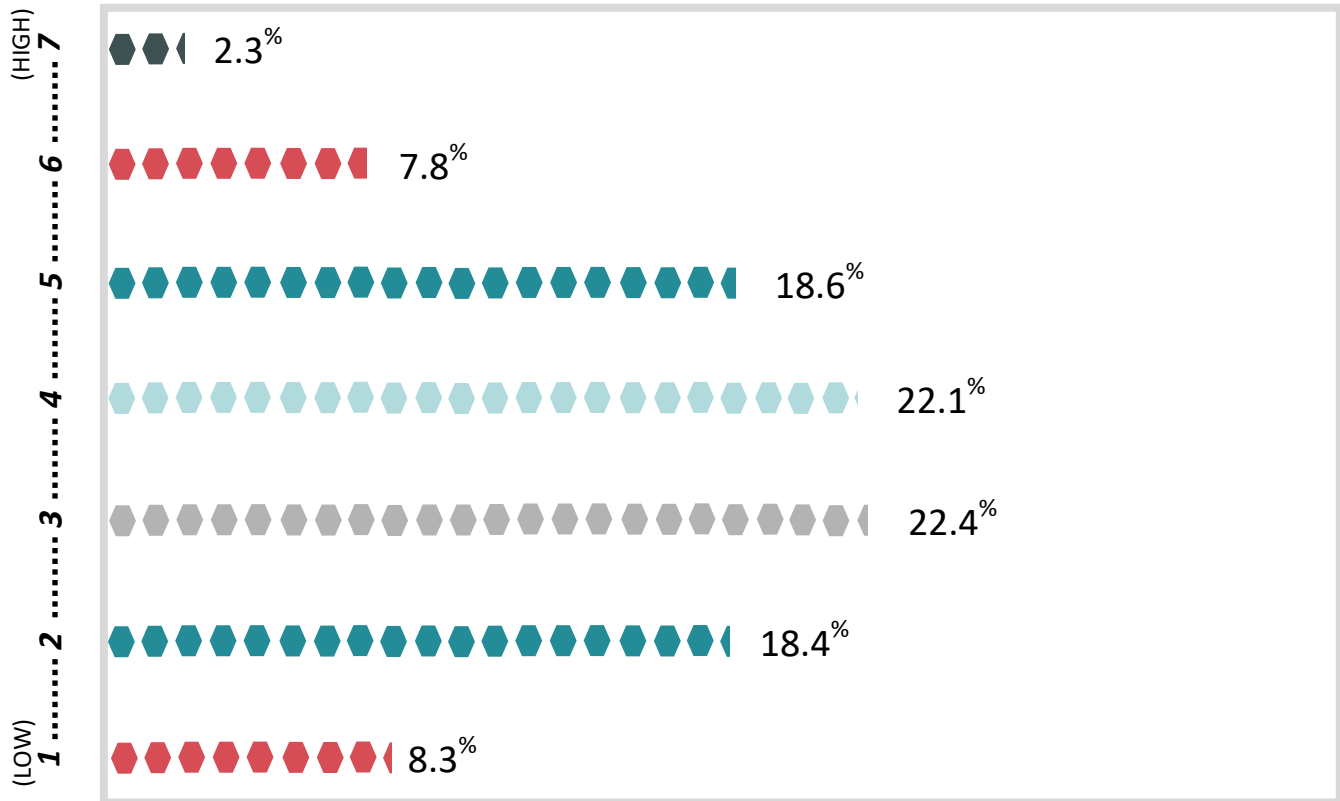




# WORKFORCE AVAILABILITY RATINGS



**Overall**, the Availability of the Iowa Workforce was rated as a 3 or less by 49.1% of the interviewed companies.



Workforce Availability was rated high (5+ rating) by 28.7% of the companies (235), primarily from the following clusters: Agriculture & Food Production (45); Insurance & Finance (30); and Transportation, Distribution & Logistics (26). Among these companies, 65.5% were located in metro counties and 34.5% in non-metro counties. New products or services have been introduced by 72.3% in the past five years, and 62.2% plan to do so in the next two years.

Among the companies reporting high Workforce Availability, 66.8% reported increasing sales and 51.5% stated increasing market share. 19.0% of these companies are in an under capacity industry and 66.7% reported balanced capacity. 45.5% have plans to expand in the next three years, but 14.3% indicated there was a reason their current community would not be considered.

51.6% of companies with high Workforce Availability reported recruitment problems, but only 16.4% have experienced or anticipate any significant changes in the make-up of their workforce. Approximately 45.8% indicated their recruitment problems were limited to their community versus their industry (54.2%).

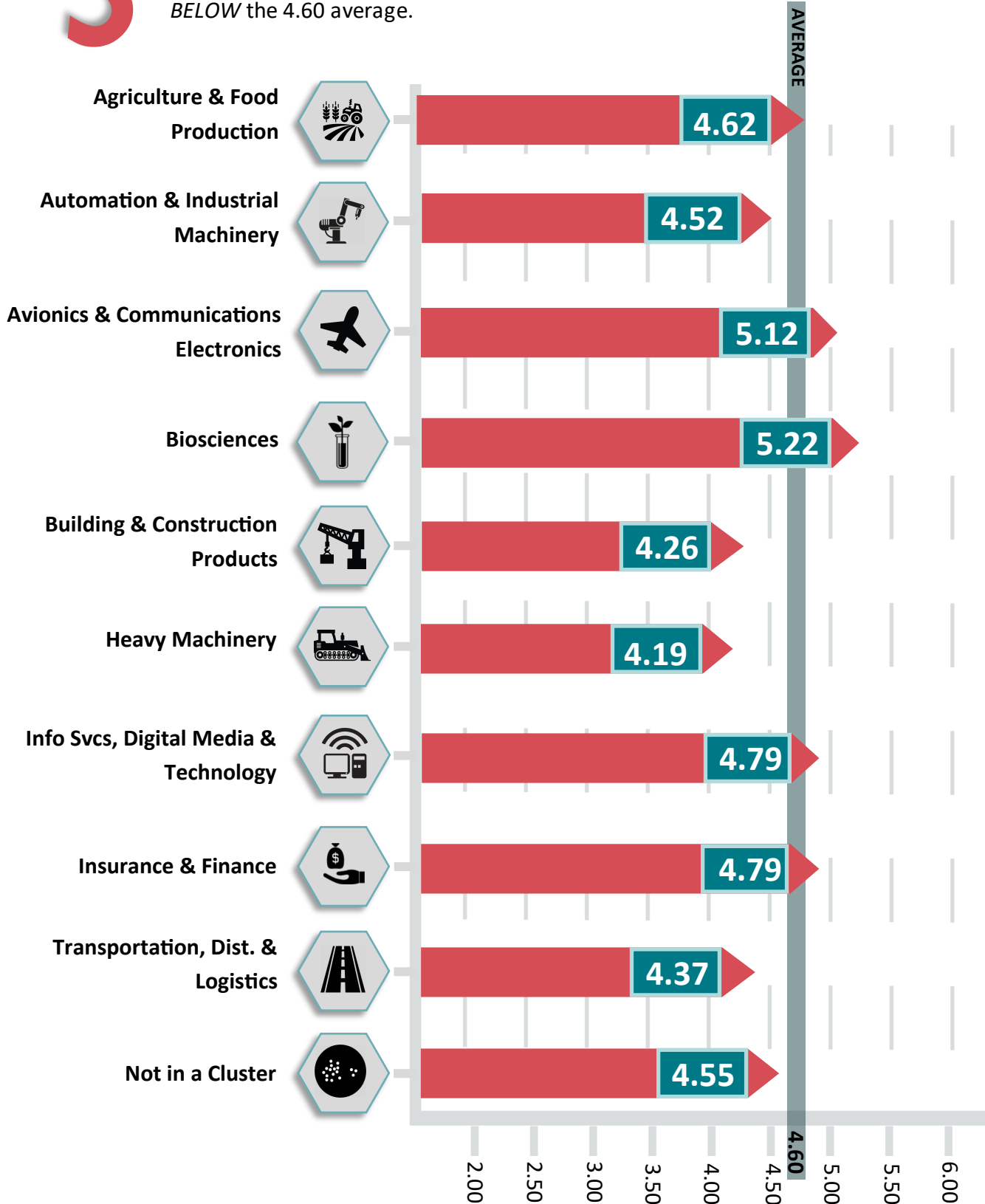
Among the same group, only 11.6% reported the number of unfilled positions was increasing and the average number of unfilled positions (at the time the survey was taken) was 9.55.

# WORKFORCE QUALITY—AVERAGE RATINGS

Among the industry clusters with 20 or more completed interviews:

5

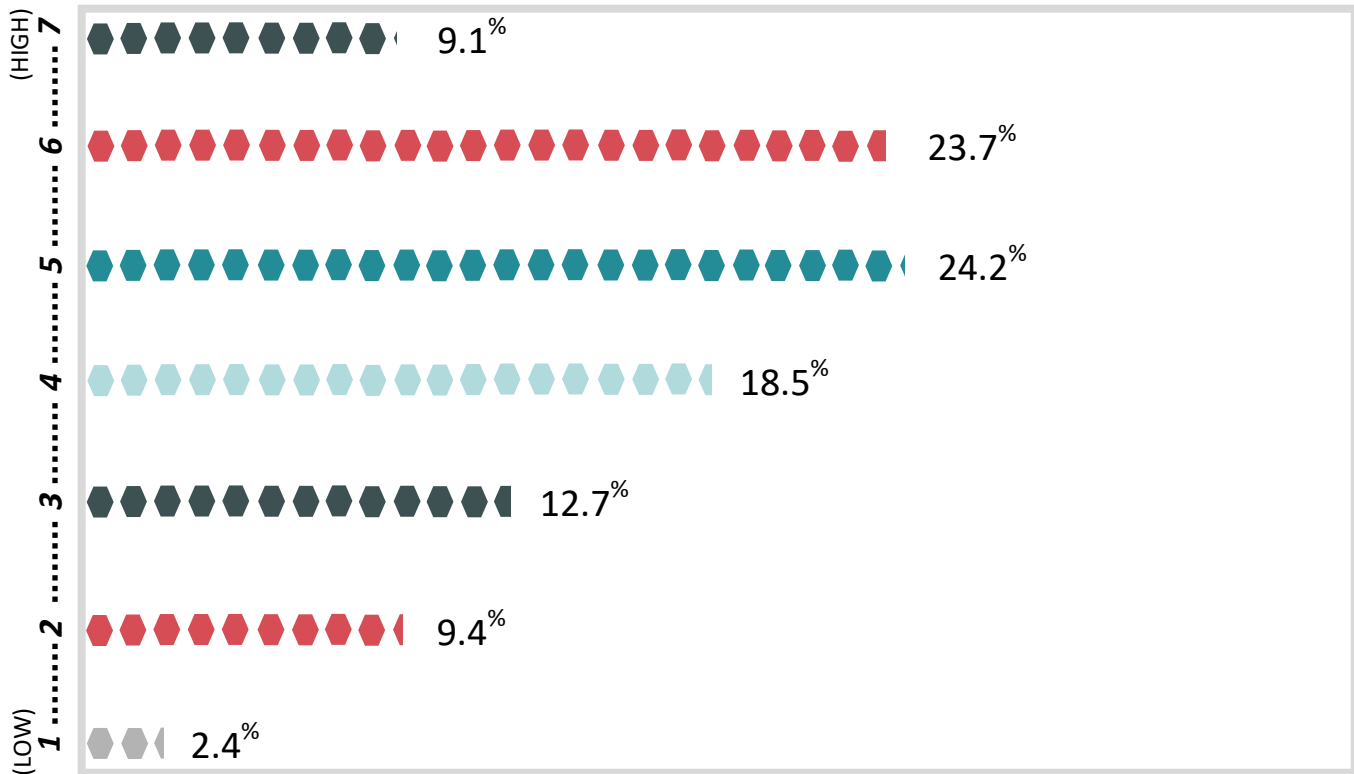
Clusters had an average rating for Workforce Quality *BELOW* the 4.60 average.



# WORKFORCE QUALITY RATINGS



Overall, the Quality of the Iowa Workforce was rated as a 3 or less by 24.5% of the interviewed companies.



Workforce Quality was rated high (5+ rating) by 57.0% of the companies (412), primarily from the following clusters: Agriculture & Food Production (70); Transportation, Distribution & Logistics (59); and Insurance & Finance (36). Among these companies, 59.0% were located in metro counties and 41.0% in non-metro counties. New products or services have been introduced by 71.5% in the past five years, and 65.8% plan to do so in the next two years.

Among the companies reporting high Workforce Quality, 65.3% reported increasing sales and 47.6% stated increasing market share. 18.3% of these companies are in an under capacity industry and 69.0% reported balanced capacity. 47.9% have plans to expand in the next three years, but 17.5% indicated there was a reason their current community would not be considered.

70.8% of companies with high Workforce Quality reported recruitment problems, but only 20.1% have experienced or anticipate any significant changes in the make-up of their workforce. Approximately 54% indicated their recruitment problems were limited to their community versus their industry (46.5%).

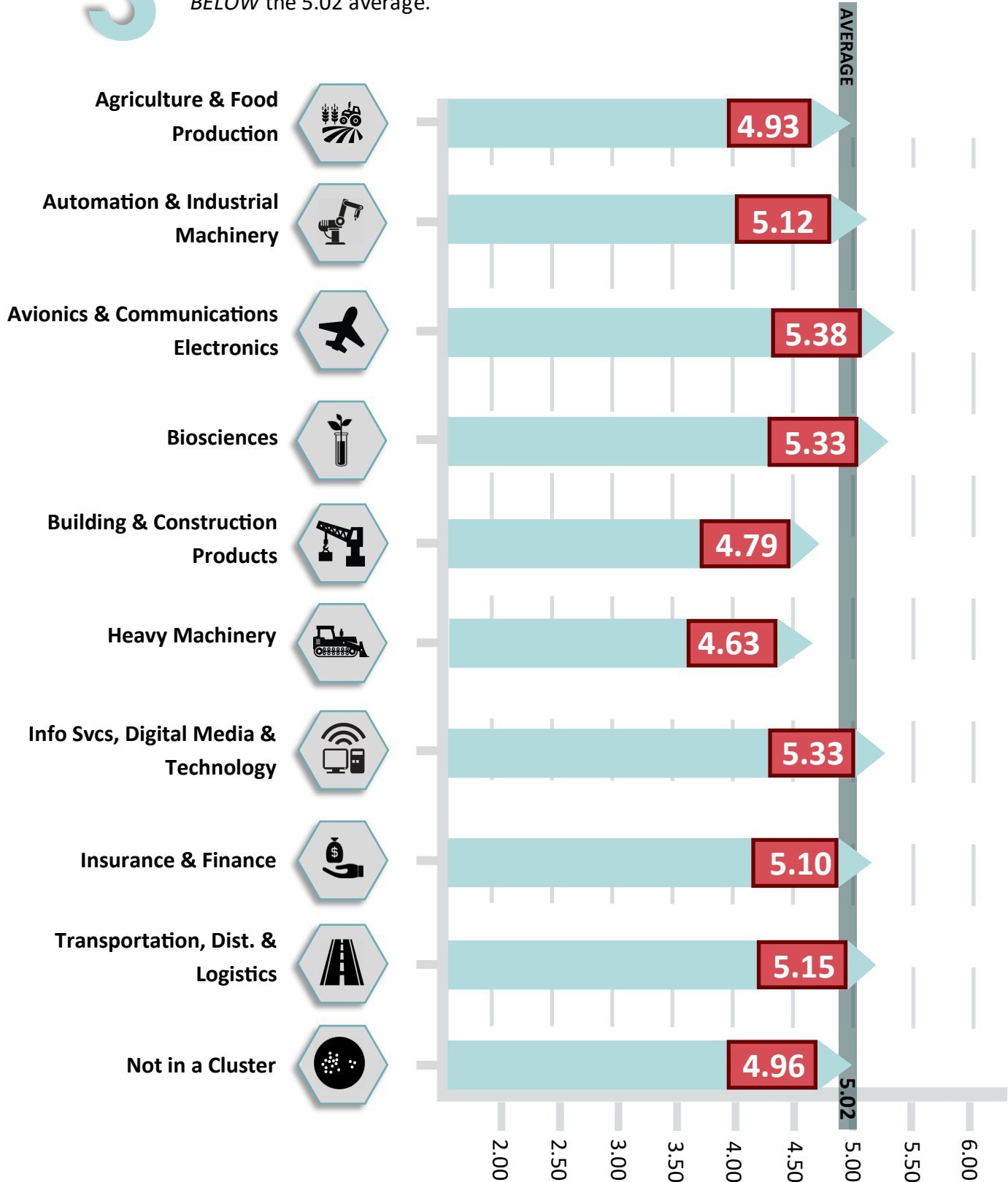
Among the same group, only 19.2% reported the number of unfilled positions was increasing and the average number of unfilled positions (at the time the survey was taken) was 10.60.

# WORKFORCE STABILITY—AVERAGE RATINGS

Among the industry clusters with 20 or more completed interviews:

3

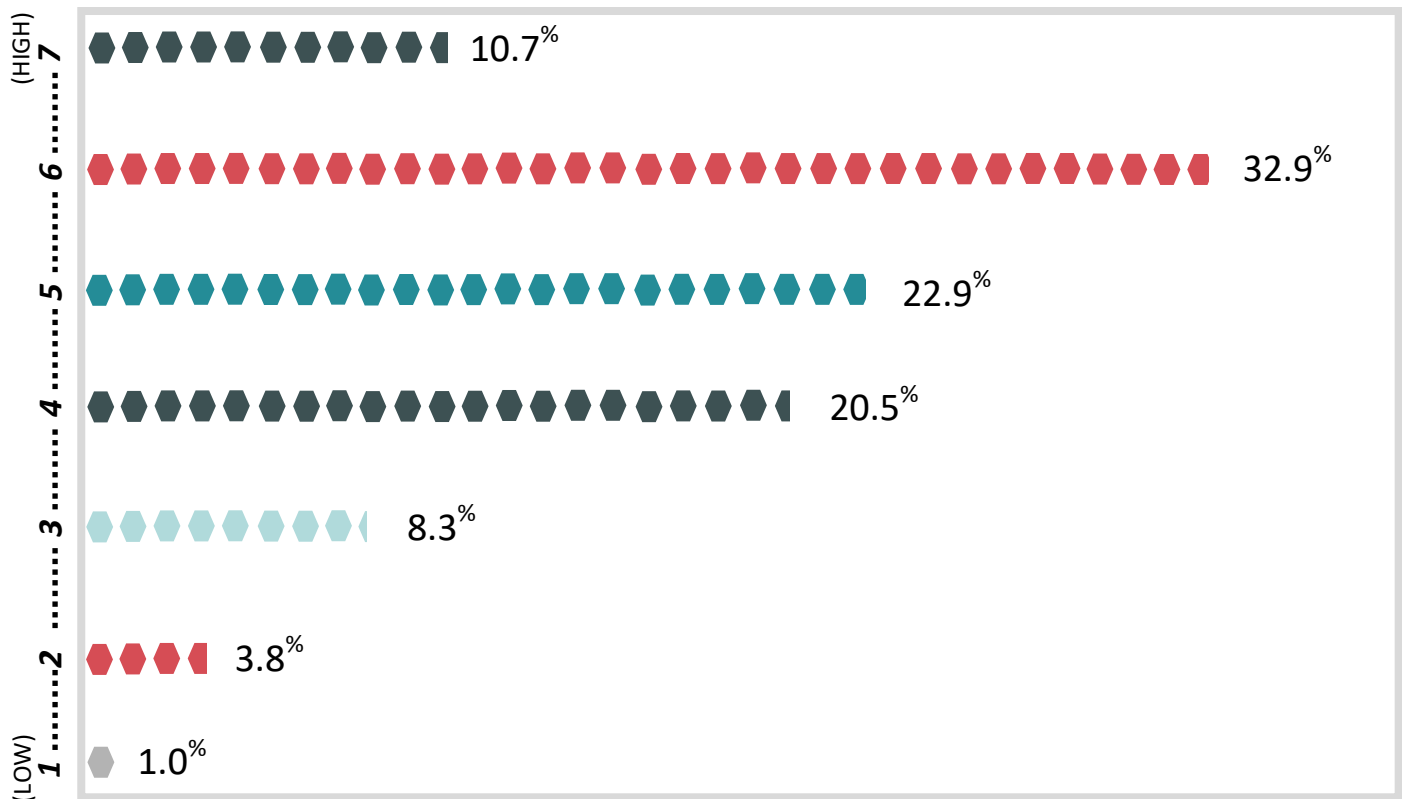
Clusters had an average rating for Workforce Stability *BELOW* the 5.02 average.



# WORKFORCE STABILITY RATINGS



**Overall**, the Stability of the Iowa Workforce was rated as a 3 or less by only 13.1% of the interviewed companies.



Workforce Stability was rated high (5+ rating) by 66.5% of the companies (529), primarily from the following clusters: Transportation, Distribution & Logistics (90); Agriculture & Food Production (77); and Insurance & Finance (39). Among these companies, 68.4% were located in metro counties and 31.6% in non-metro counties. New products or services have been introduced by 70.8% in the past five years, and 66.2% plan to do so in the next two years.

Among the companies reporting high Workforce Stability, 66.8% reported increasing sales and 52.6% stated increasing market share. 18.9% of these companies are in an under capacity industry and 65.8% reported balanced capacity. 46.8% have plans to expand in the next three years, but 18.1% indicated there was a reason their current community would not be considered.

71.3% of companies with high Workforce Stability reported recruitment problems, but only 22.7% have experienced or anticipate any significant changes in the make-up of their workforce. Approximately 50.4% indicated their recruitment problems were limited to their community versus their industry (49.6%).

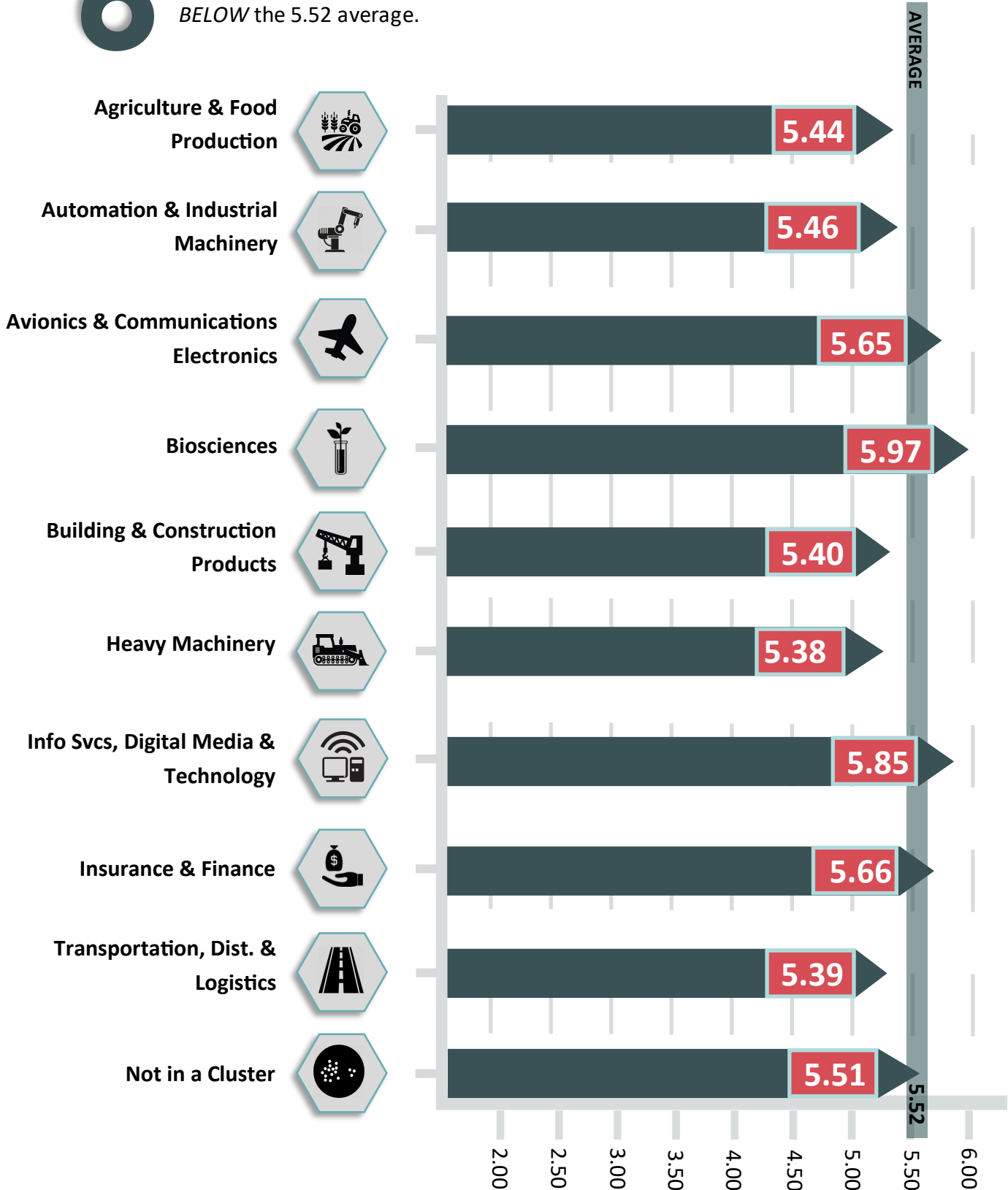
Among the same group, only 23.6% reported the number of unfilled positions was increasing and the average number of unfilled positions (at the time the survey was taken) was 9.83.

# WORKFORCE PRODUCTIVITY—AVERAGE RATINGS

Among the industry clusters with 20 or more completed interviews:

6

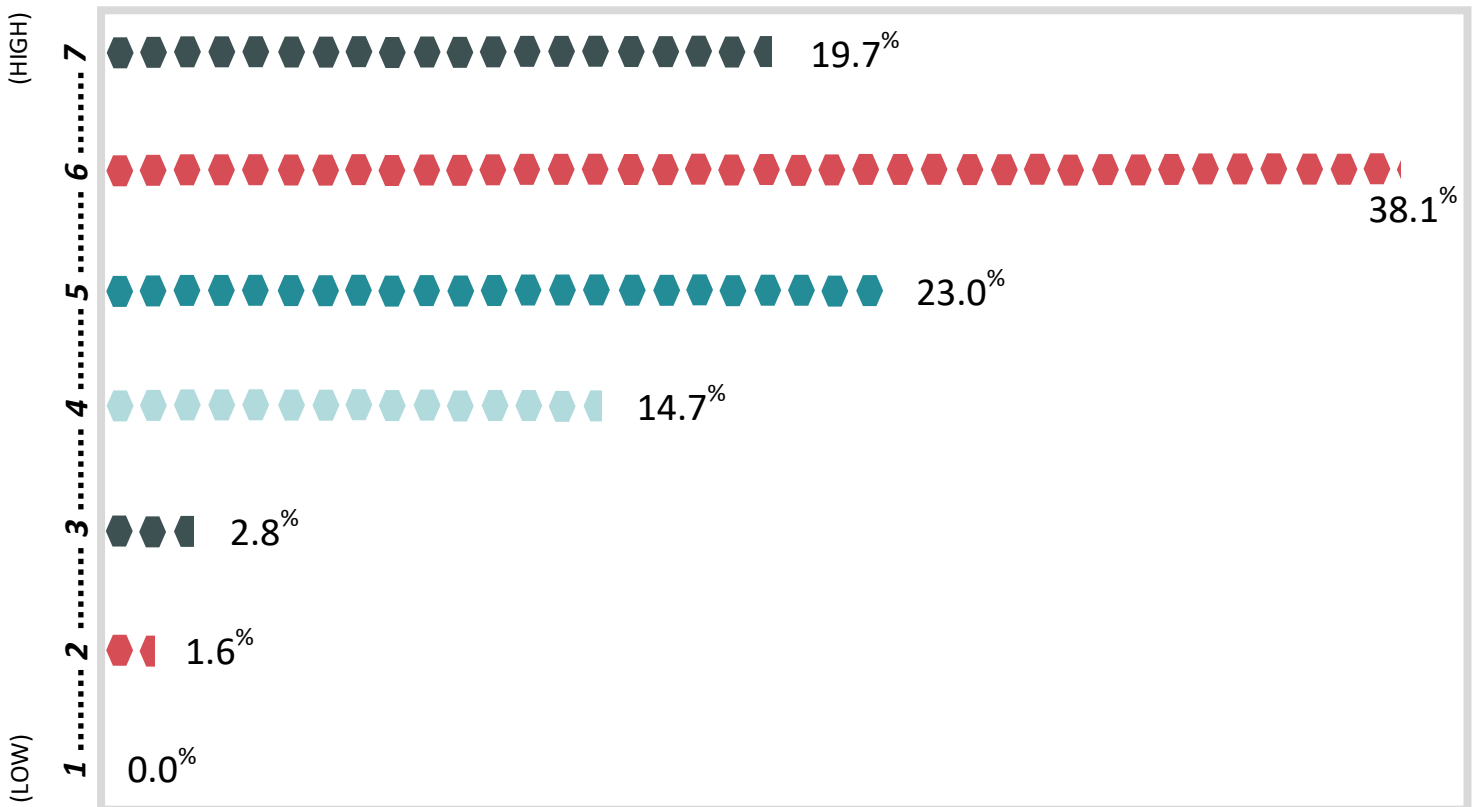
Clusters had an average rating for Workforce Productivity *BELOW* the 5.52 average.



# WORKFORCE PRODUCTIVITY RATINGS



Overall, the Productivity of the Iowa Workforce was rated as a 3 or less by only 4.4% of the interviewed companies.



Workforce Productivity was rated high (5+ rating) by 80.8% of the companies (545), primarily from the following clusters: Agriculture & Food Production (88); Transportation, Distribution & Logistics (79); and Insurance & Finance (45). Among these companies, 65.0% were located in metro counties and 35.0% in non-metro counties. New products or services have been introduced by 69.8% in the past five years, and 68.7% plan to do so in the next two years.

Among the companies reporting high Workforce Productivity, 68.8% reported increasing sales and 53.2% stated increasing market share. 20.2% of these companies are in an under capacity industry and 64.4% reported balanced capacity. 50.5% have plans to expand in the next three years, but 20.3% indicated there was a reason their current community would not be considered.

76.4% of companies with high Workforce Productivity reported recruitment problems, but 25.6% have experienced or anticipate any significant changes in the make-up of their workforce. Approximately 50.2% indicated their recruitment problems were limited to their community versus their industry (49.8%).

Among the same group, only 27.0% reported the number of unfilled positions was increasing and the average number of unfilled positions (at the time the survey was taken) was 10.51.

# WORKFORCE RECRUITMENT

The larger the employment size of the company, the higher likelihood the company is experiencing a workforce recruitment problem. 93.7% of the companies with 500 or more employees were experiencing a workforce recruitment problem and 58.4% of the companies with 1 to 19 employees were experiencing a workforce recruitment problem.



**74.1%**

of companies stated they were experiencing workforce recruitment problems.

**60.4%**

of those companies were located in METRO COUNTIES.



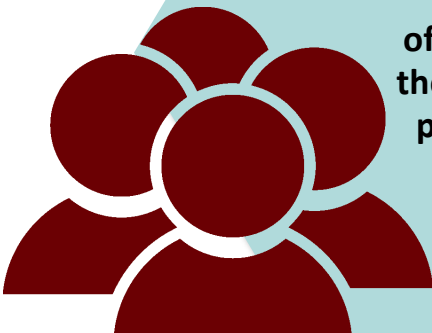
**57.4%**

of those companies with recruitment problems were MANUFACTURERS.



**48.3%**

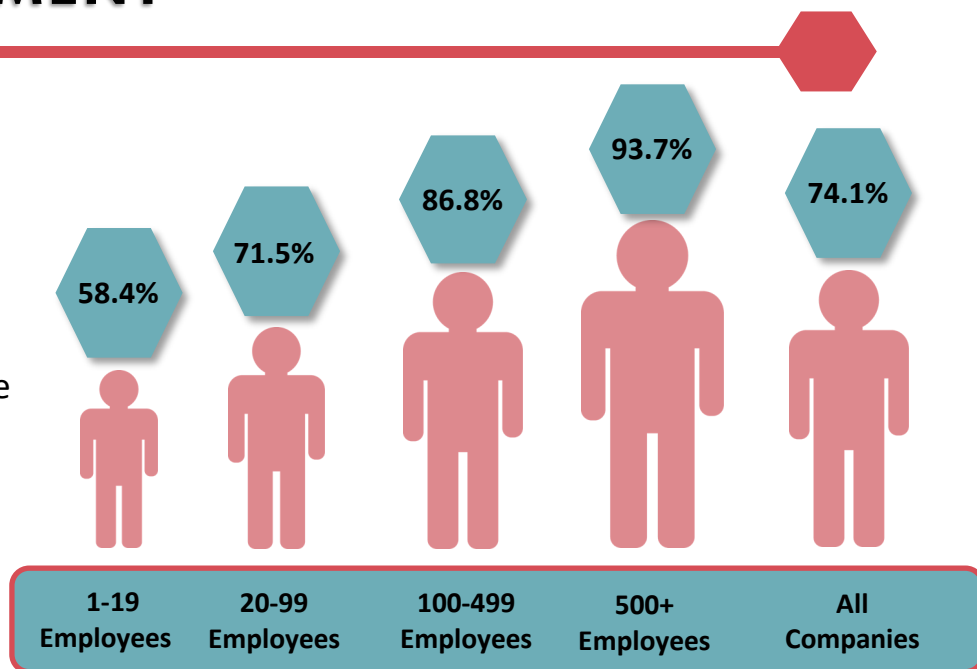
of companies stated that their primary recruitment problem was limited to their community.





# WORKFORCE RECRUITMENT PROBLEM BY EMPLOYMENT

The larger the employment size of the company, the higher the likelihood that the company is experiencing a workforce recruitment problem.



Among the companies with recruitment problems, the following were the most frequently identified positions or occupations.

1. Production
2. Transportation & Material Moving
3. Installation, Maintenance & Repair
4. Management
5. Computer & Mathematical

4,799

Total unfilled positions from the 468 companies that provided data

Unfilled positions reported by 142 companies with 100-499 employees

1,556

1,764

Unfilled positions reported by 51 companies with 500+ employees

Companies in non-metro counties with unfilled positions

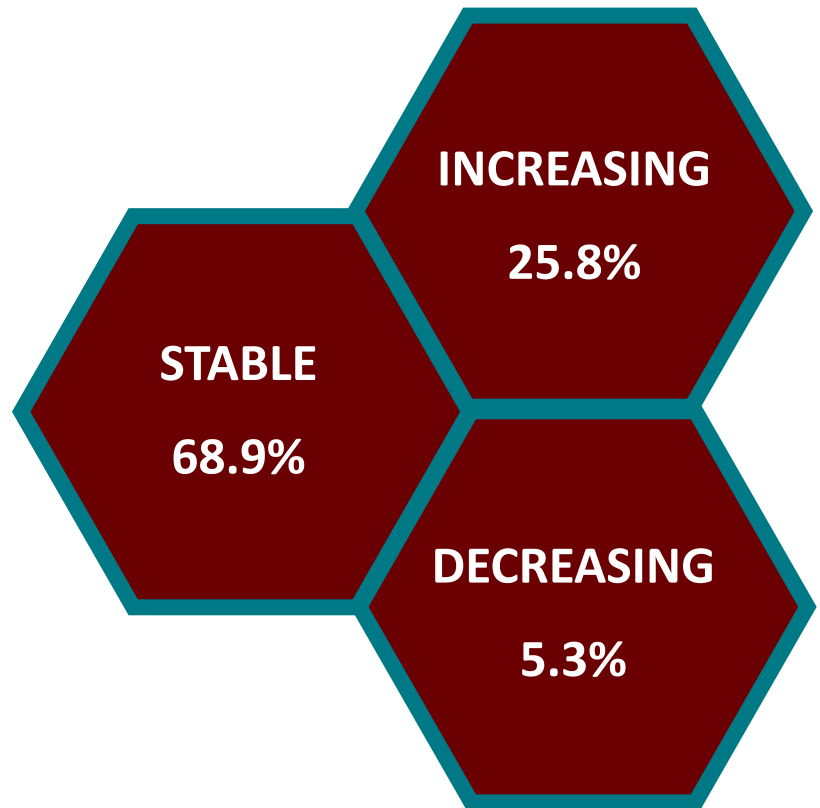
1,787

Clusters with the highest number of unfilled positions included: Agriculture & Food Production (886), Insurance & Finance (586) and Transportation, Dist. & Logistics (546).

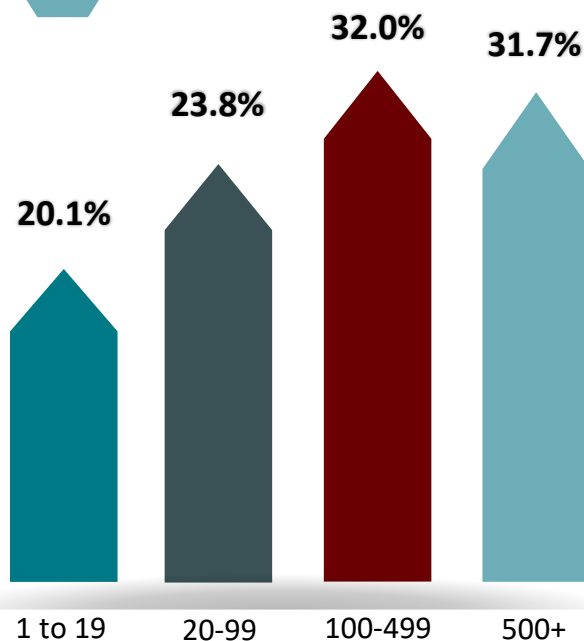
Industry sectors with the most unfilled positions were Manufacturing (2,921), Finance & Insurance (586) and Wholesale Trade (424).

# TREND IN UNFILLED POSITIONS

The vast majority of the companies interviewed stated that their number of unfulfilled positions is stable. Clusters with the highest number of companies reporting an increasing number of unfulfilled positions included: Transportation, Distribution & Logistics (37) and Agriculture & Food Production (21).



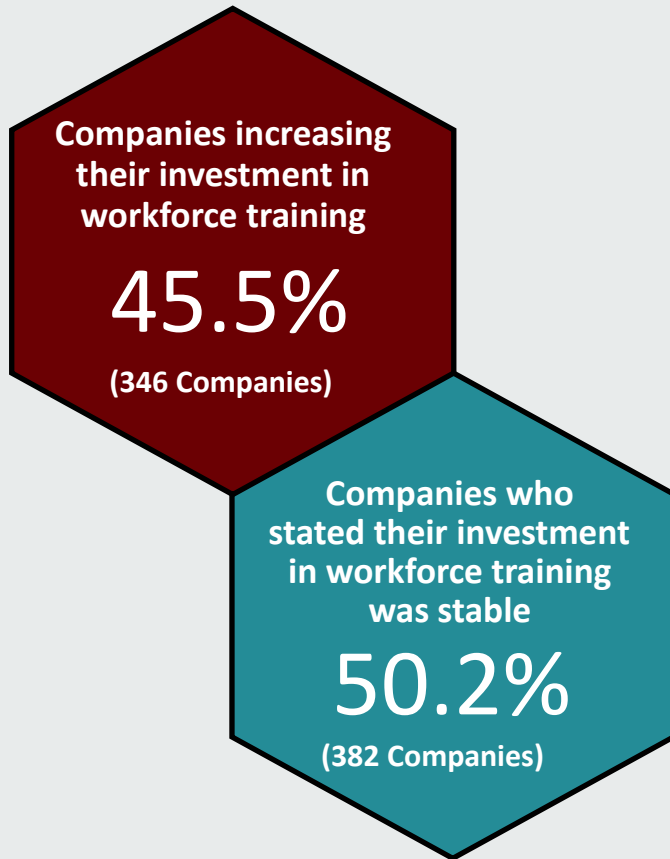
## PERCENTAGE OF COMPANIES WITH INCREASING UNFILLED POSITIONS BY EMPLOYMENT SIZE



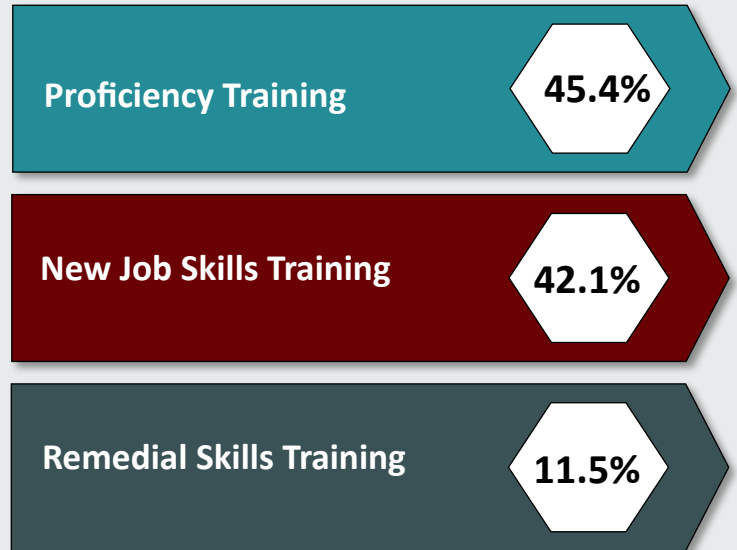
Companies with 100 to 499 employees reported the highest level of increasing unfulfilled positions, followed closely by companies with 500 or more employees.

Industry sectors with the highest percentage of companies stating unfulfilled positions were increasing included: Manufacturing (108); Finance & Insurance (14); and Professional, Scientific & Technical Services (10).

# WORKFORCE TRAINING



## AVERAGE TRAINING BUDGET SPENDING



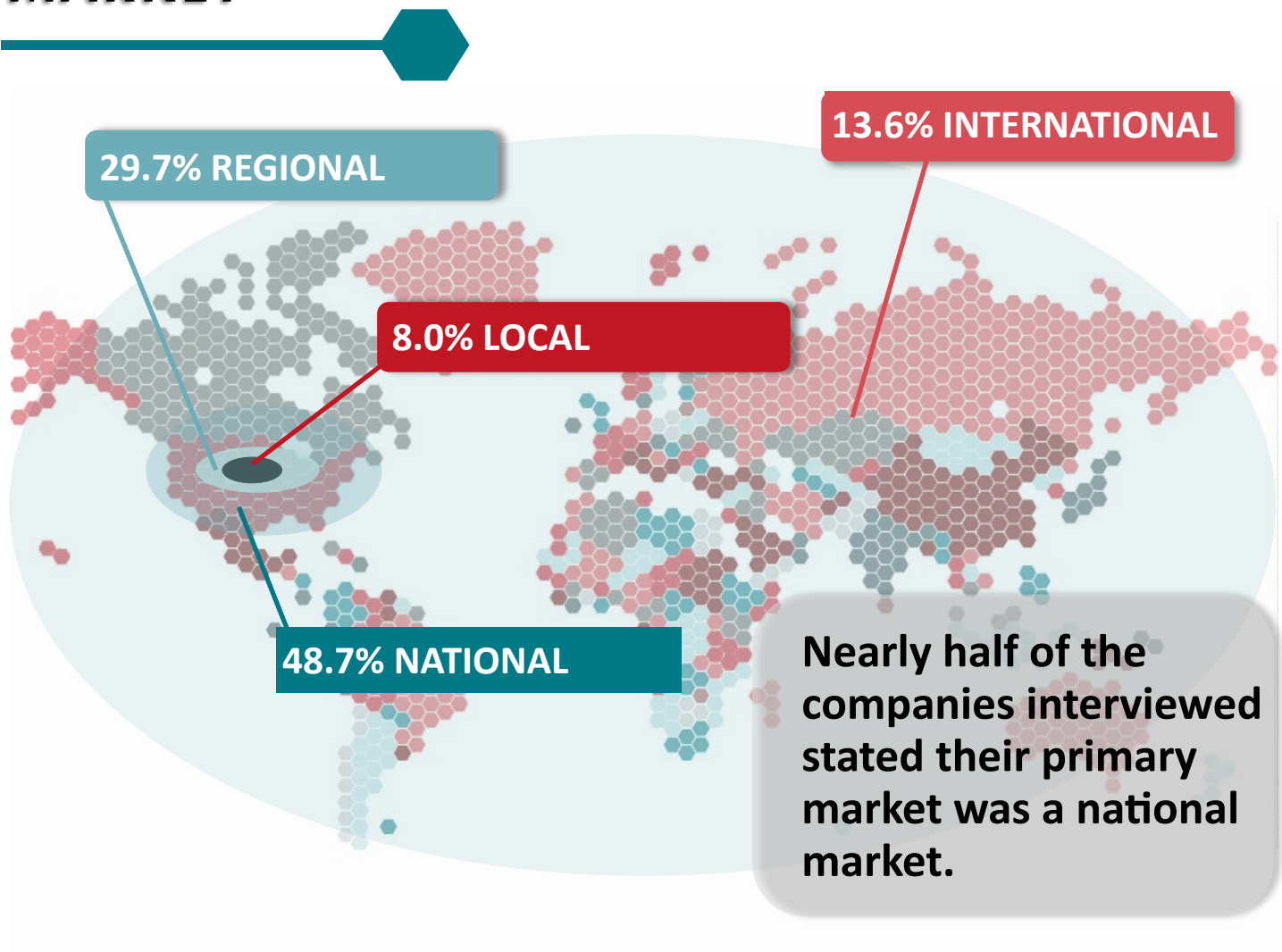
95.7% (728) of the companies interviewed stated their investment in workforce training was increasing or stable. Among these companies, 58.4% were located in metro counties and 41.6% in non-metro counties. 55.1% were manufacturers.

Top clusters with the highest number of companies reporting their investment in workforce training was stable or increasing include: Transportation, Distribution & Logistics (117); Agriculture & Food Production (113); and Insurance & Finance (57). 70.8% have introduced new products or services in the past five years, and 68.2% plan to do so in the next two years.

75.8% of companies with increasing or stable workforce training investment have had recruitment problems, and 24.2% have experienced or anticipate significant changes in the make-up of their workforce. 48.8% indicated their recruitment problems were limited to their community and 51.2% to their industry. 25.2% reported the number of unfilled positions was increasing and 69.6% said it was stable. The average number of unfilled positions (at the time the survey was taken) was 10.21.

Average workforce ratings for companies making increasing or stable investments in training were as follows: Availability 3.55; Quality 4.63; Stability 5.01 and Productivity 5.52.

# MARKET



## SALES

63.0% of the companies stated their sales were increasing.

Just over 4% stated their sales were decreasing and among those companies nearly 70% stated their primary product/service was either maturing or declining.

## MARKET SHARE

Nearly all of the companies stated their company's market share was either increasing (48.5%) or stable (49.4%).

- ▼ Among the companies with a growing market share, 75.1% said their primary product/service was growing in its life cycle.
- ▼ The vast majority of the companies with a growing market share stated they had introduced a new product/service in the last five years (78.2%) and anticipated introducing a new product/service in the next two years (73.7%).
- ▼ Almost 40% of companies who stated their market share was stable said their primary product/service was either maturing or declining in its life cycle.

# RESEARCH & DEVELOPMENT SPENDING

As a percentage of a company's R&D budget, the highest allocations of spending were for new product development and the lowest were for production improvements.

OF THE COMPANIES THAT WERE INTERVIEWED:

**45.6%** stated their company **does not** invest in R&D.  
(285 companies)

OF THE COMPANIES THAT **DO INVEST** IN R&D:

**47.6%** spent 1%-2% of their sales on R&D.  
(162 companies)

**27.4%** spent 3%-6% of their sales on R&D.  
(93 companies)

## AVERAGE PERCENT OF R&D BUDGET SPENDING

**New Product Development**

**39.7%**

**Product Improvements**

**35.2%**

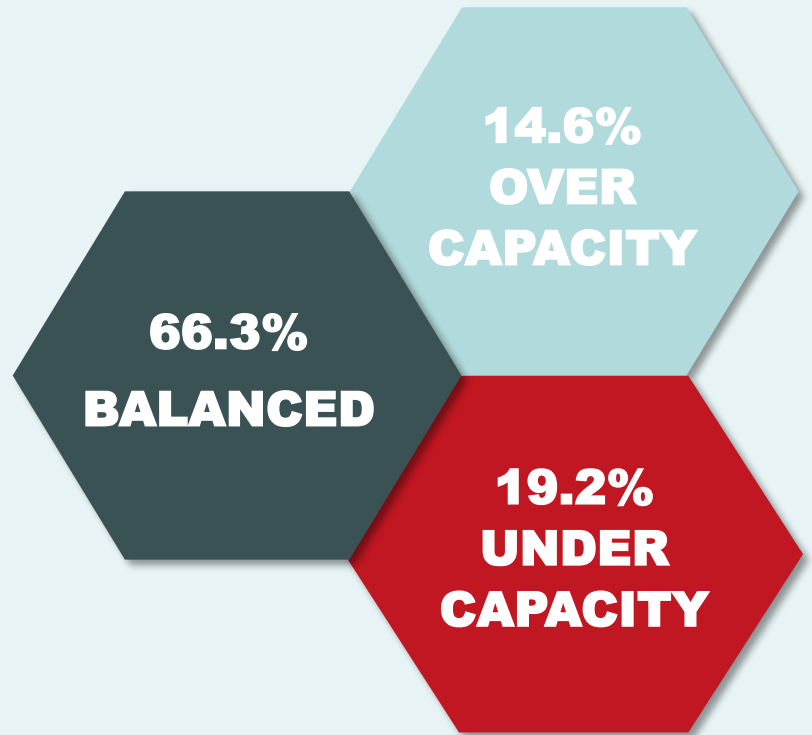
**Production Improvements**

**27.6%**

# INDUSTRY

The majority of the companies interviewed stated production in their industry was balanced.

- 19.2% stated their industry was under capacity, which could mean the possibility of future consolidation within their industries and have a negative impact on facilities in Iowa.
- Conversely, 14.6% stated their production was over capacity in their industry which could create opportunities for expansions in Iowa.



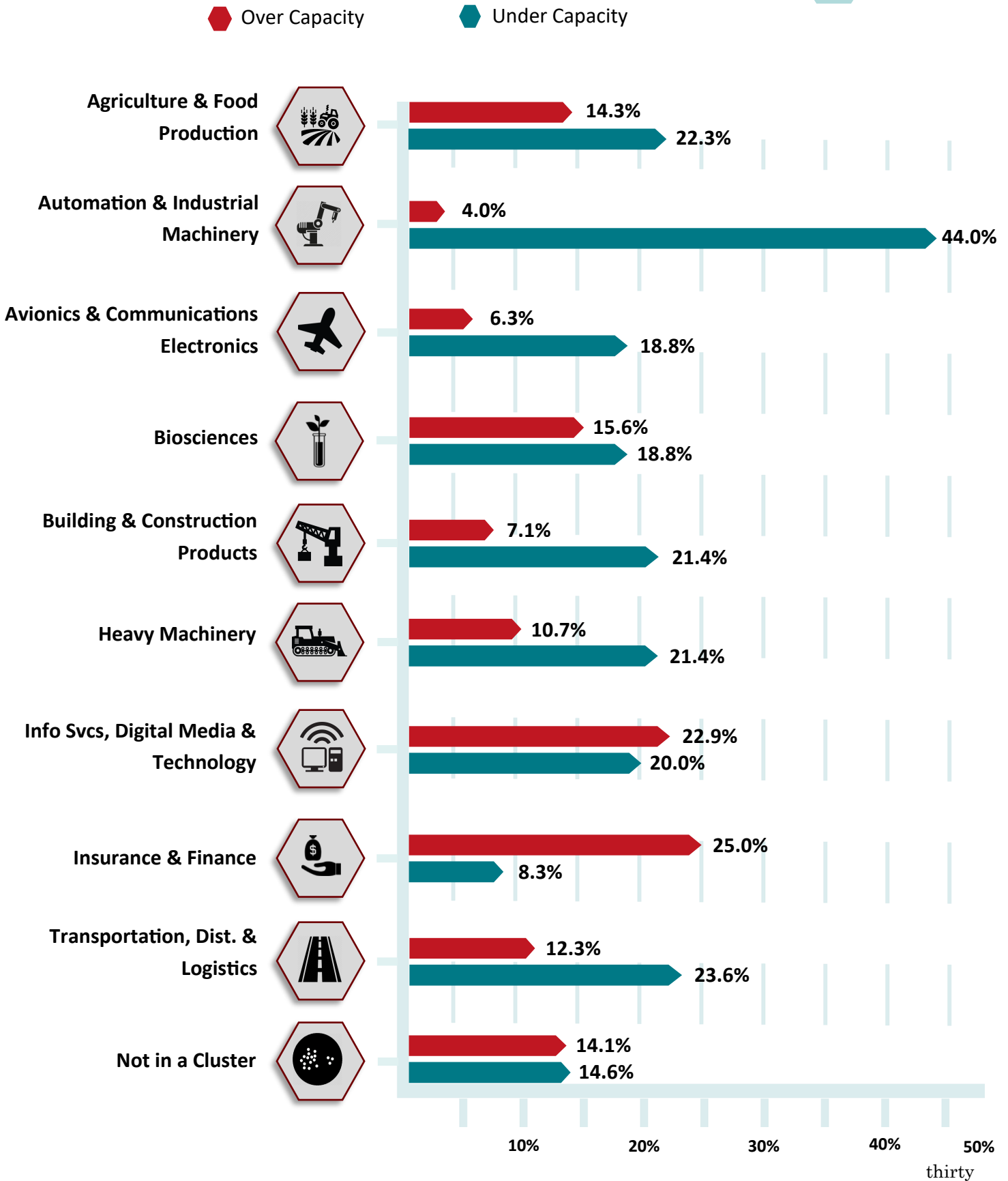
Among the industry sectors with at least 10 companies, the Health Care & Social Assistance sector had the highest percentage (31.3%) of companies stating production in their industry was over capacity.

Six other industry sectors had at least 10% of the companies stating production was over capacity.

## 45.2%

of the companies stated that merger, acquisition or divestiture activity in their industry was increasing.

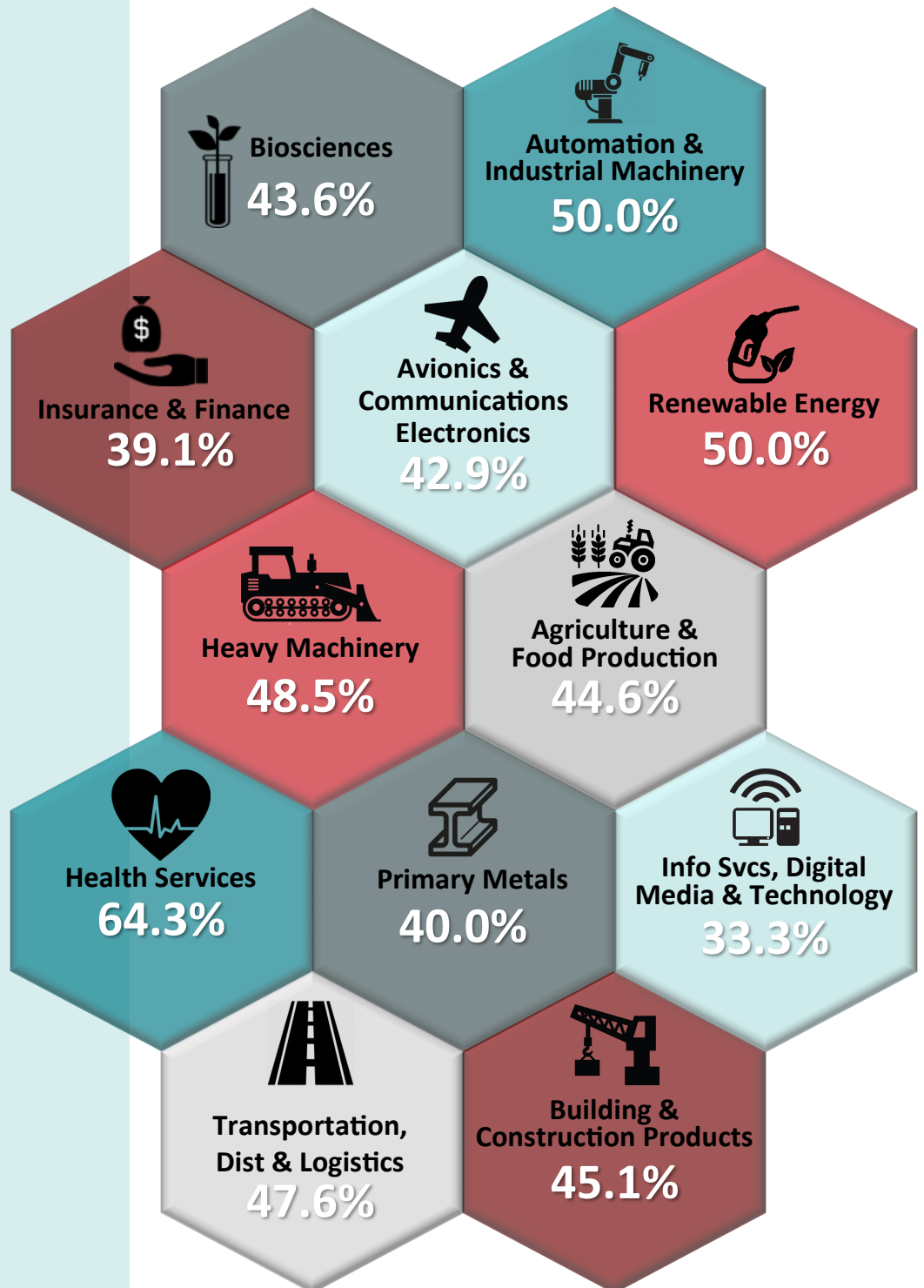
# INDUSTRY PRODUCTION TREND BY INDUSTRY CLUSTER



# ANTICIPATING ADVERSE LEGISLATION

**44.8% of the companies stated they anticipated that either federal, state or local legislation changes will adversely affect their business in the next five years.**

The most frequently identified issue was related to tariffs (steel, aluminum, paper for example) with 107 companies identifying them as a concern. Environmental regulations (EPA policies and procedures, waste water, air emissions) were the most often mentioned regulations of concern, with several companies mentioning the Renewable Fuels Standard (RFS) and how it may effect bio-fuels and ethanol production. Other frequently identified areas included labor and workplace regulations (DOT rules on truck driver hours, potential increases in the minimum wage and the impact of minimum wage increases in surrounding states), taxes, and tax policy (property taxes, tax reform, tax credits), and health care issues (costs, changes and reimbursement rates for Medicare and Medicaid). Several companies mentioned food regulation by the FDA and USDA regarding food quality and food safety as concerns.





# COMMUNITY SERVICES SATISFACTION

## HIGHEST COMMUNITY SERVICES



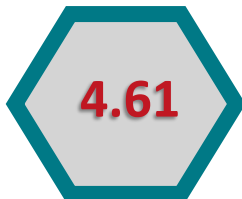
Fire  
Protection



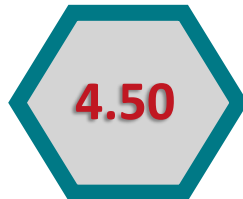
Police  
Protection



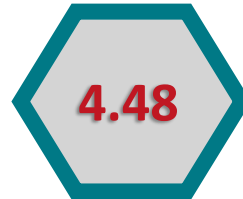
Ambulance  
Paramedic Service



Property Tax  
Assessment



Public  
Transportation



Airline  
Passenger Service

## LOWEST COMMUNITY SERVICES

# UTILITY SATISFACTION

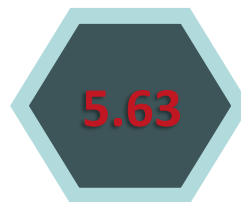
## HIGHEST AVERAGE RATING



Natural Gas



Water



Sewer



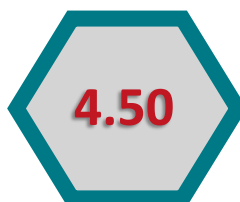
Electric



Telecom  
(voice)



Cellular  
Service



Internet  
Access



Internet  
Speed

## LOWEST AVERAGE RATING

# BEST OF IOWA EXCELLENCE AWARD

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BEST of Iowa honors communities that went above and beyond throughout the process. This year, the BEST of Iowa Excellence Award goes to:



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## BEST of Iowa Annual Report 12/2019

Prepared by Strategic Marketing Services and Institute for Decision Making at  
The University of Northern Iowa

