

# METROTRENDS

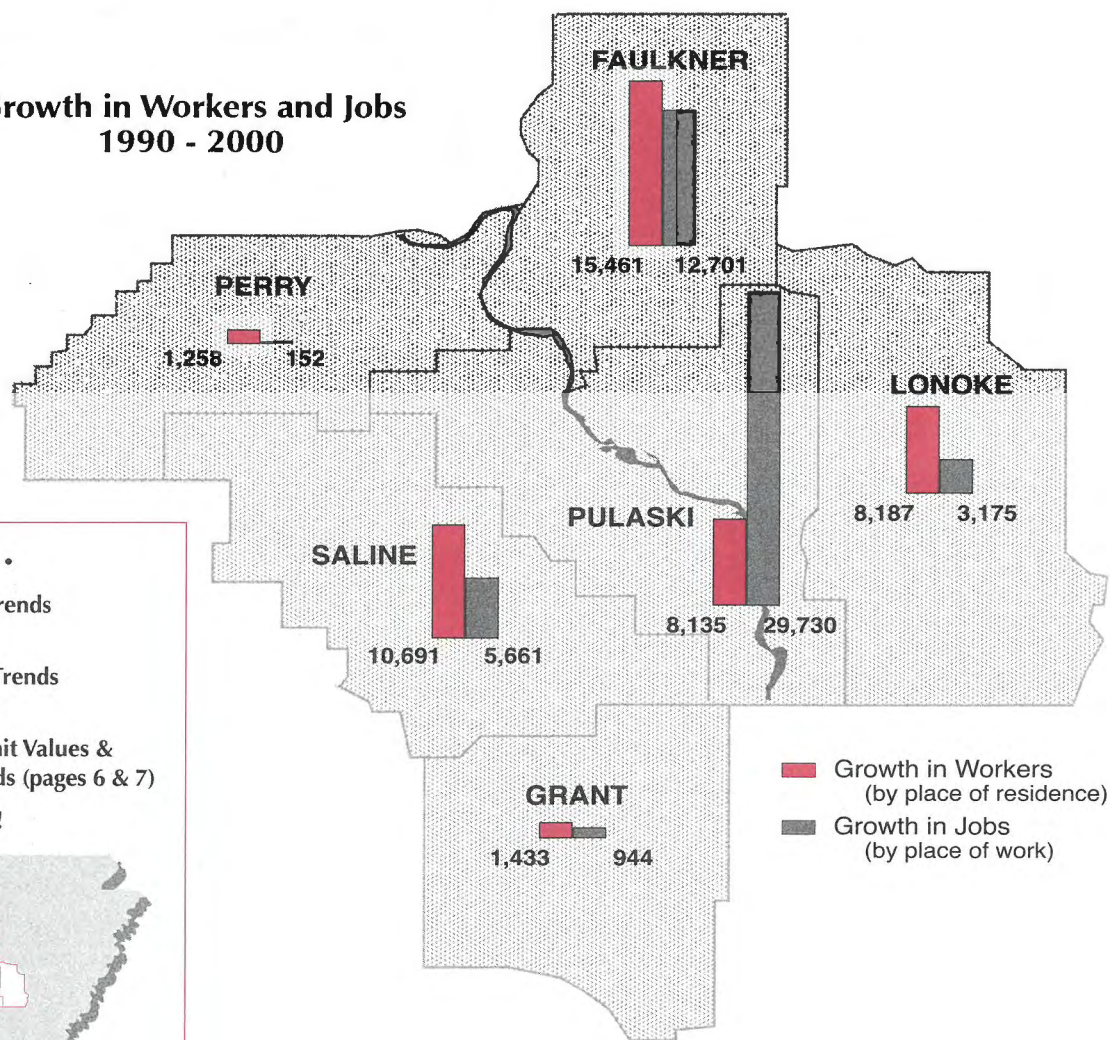
A DEVELOPMENT INFORMATION SERVICE OF METROPLAN

## 2003 Economic Review and Outlook

### Connecting Homes and Jobs in 2000

During 2003, the Census Bureau released figures for commuting by county from the 2000 Census. We can now tell where residents live and work, and compare these figures with past data. The map on this page shows growth in workers and jobs by county for the six-county Little Rock-North Little Rock MSA. It is clear that, in general, the distance between jobs and homes grew wider. For example, the total number of jobs in Pulaski County grew by over 29,730, while the number of resident workers in the county only grew by 8,135. To fill these new jobs, 21,595 more workers drove in from outlying counties.

### Growth in Workers and Jobs 1990 - 2000



### Inside . . .

- Commuting Trends (pages 1-3)
- Employment Trends (pages 4 & 5)
- Building Permit Values & Housing Trends (pages 6 & 7)
- ... and more!

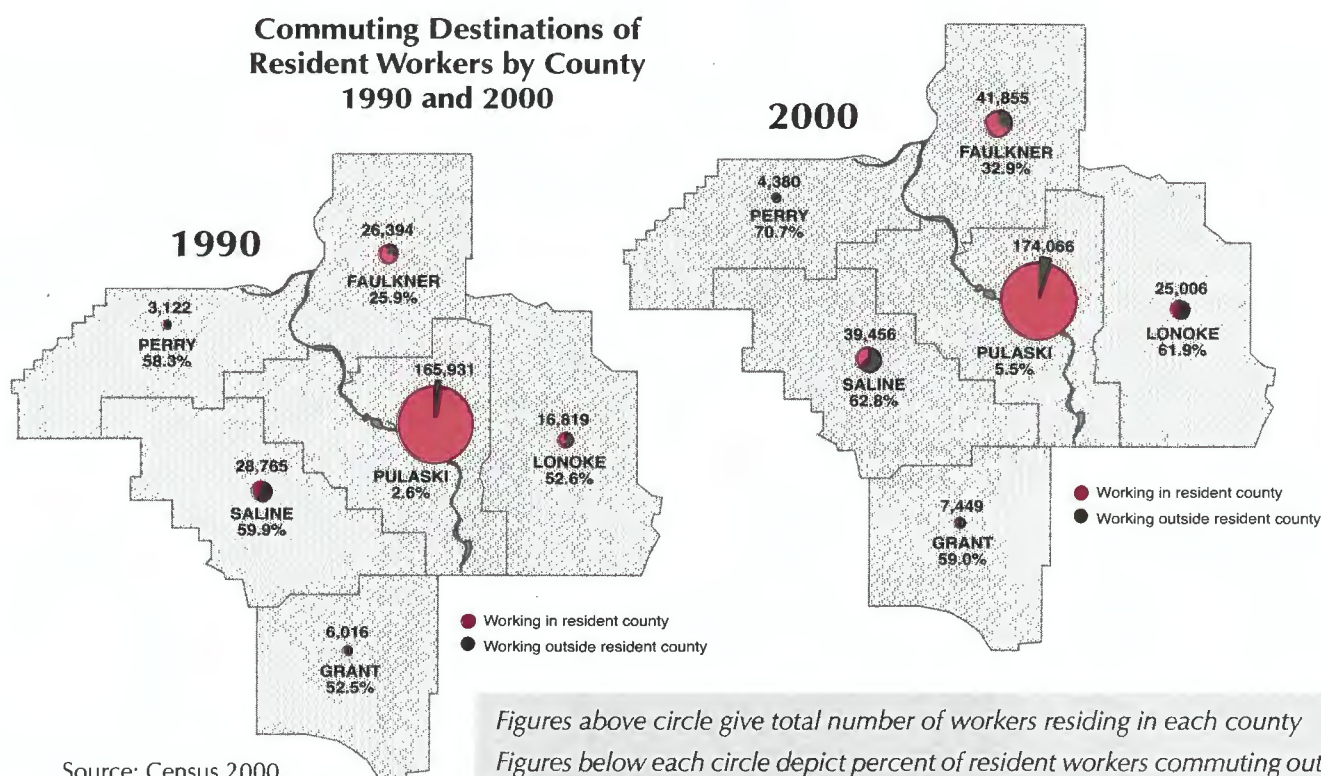


Little Rock - North Little Rock MSA  
(Metropolitan Statistical Area)

Source: Census 2000

## Commuting Trends

The maps below show the percentage of workers who hold jobs in the same county in which they live. The size of the circles depicts the relative size of each county's resident work force. As the figures show, most Pulaski County workers stayed in their home county to work, while between one-quarter and over one-half of workers living in the five outlying counties left their resident county to earn their pay.



The maps at right show the largest and most important commuting flows in 1990 and 2000. While there are other flows, the predominant flows are as shown. As you can see, Saline County provides by far the largest in-flow of commuters. This county's total of over 22,000 in-commuters was one-third greater than the next largest flow of 13,000-plus workers driving in from Lonoke County.

Faulkner County, with the largest population among outlying counties (over 92,000 according to Metroplan's latest estimates) contributed just over half as many commuters as Saline County. This is because Faulkner County has a sizeable job market of its own, with firms like Acxiom, Amtran and Virco providing local employment opportunities. The number of commuters from Grant and Perry Counties was comparatively small, although in both cases over half of resident workers commute to jobs in other counties.

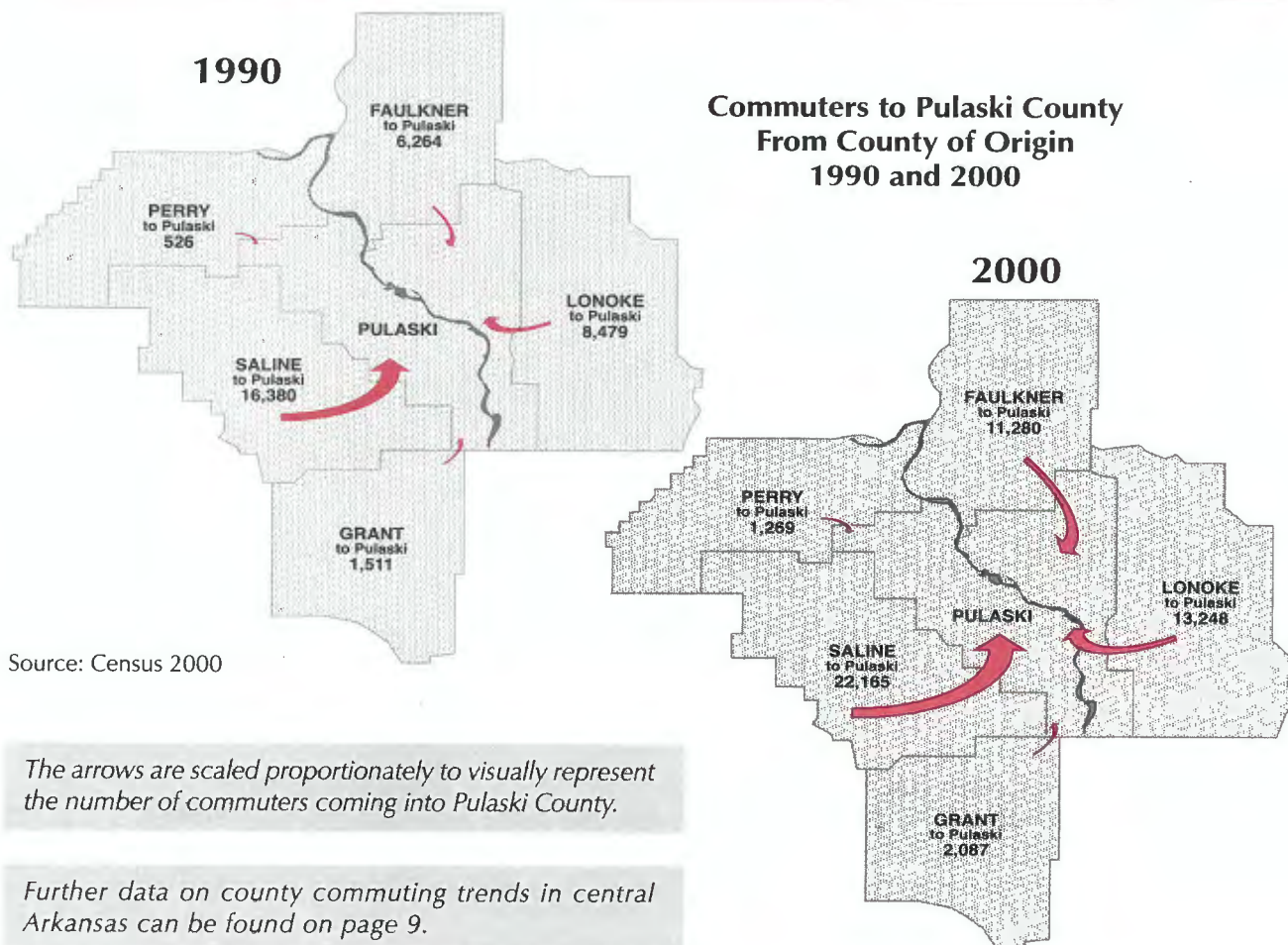
### Going Where the Money Is

There are over 300,000 jobs located within the Little Rock-North Little Rock MSA. The commute to each job involves a combination of economic factors such as salary, location, and working conditions. Nonetheless, one observation stands out. The region's core cities of Little Rock and North Little Rock exert a pull that dominates the regional commuting picture.

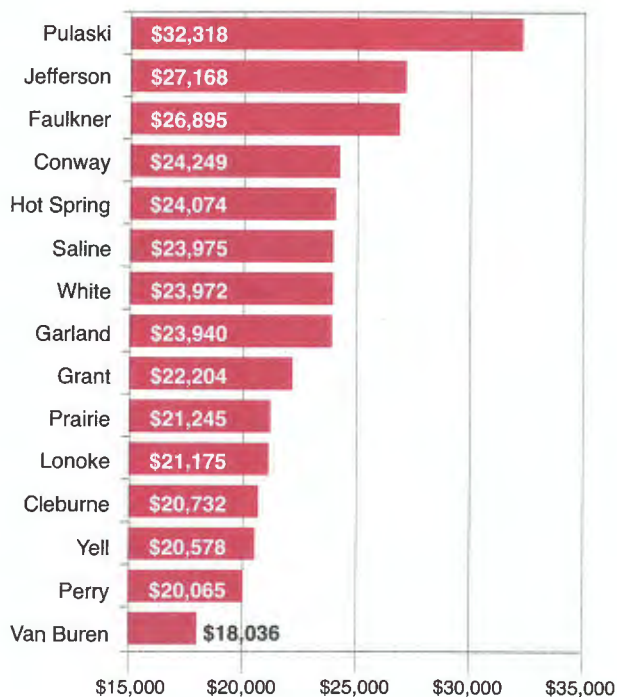
Jobs in Pulaski County offer the highest incomes in the state, by far. With over 231,000 jobs, Pulaski County also offers a large market that provides a wider choice of job specialties and pay levels than are available anywhere else in Arkansas. The county's job market draws well beyond county lines.



## Commuting Trends



### Average Wage by County 2001



The core's pulling force extends in gradients through the six-county region and beyond. For example, while Faulkner County sends over 11,000 resident workers to high-paying jobs in Pulaski County, over 1,000 workers each from Conway and Perry Counties drive to jobs in Faulkner County every day. A glance at federal wage figures in the chart (at left) reveals the likely reason. While jobs in Faulkner County pay less than jobs in Pulaski County, they pay better on average than jobs in Conway and Perry Counties.

Similar relationships can be found elsewhere in the region. Note how the highest wage rates are found in the metropolitan core (Pulaski County) and the core of the adjacent Pine Bluff metro area (Jefferson County). The counties which are the most rural in character also tend to have lower wage rates.

Source for wage data: US Bureau of Economic Analysis.

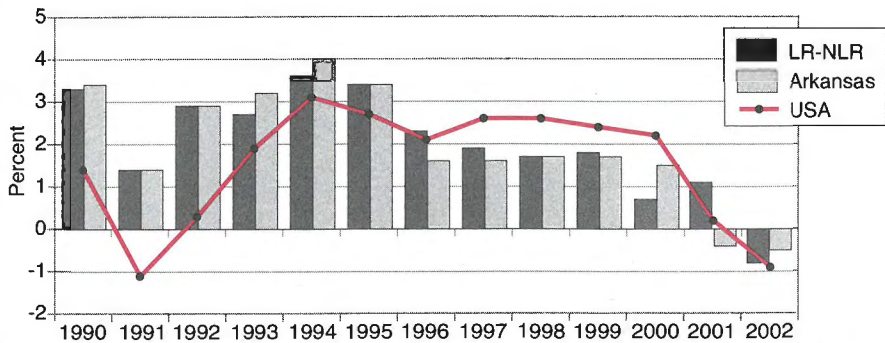
## Employment Trends

### The Jobless Recovery Stumbles On

The chart below shows nonfarm payroll employment, the best indicator of overall job market trends. According to the latest estimates from the Arkansas Employment Security Department, last year marked the first decline in jobs in the Central Arkansas area since 1982.<sup>1</sup> U.S. and Arkansas employment showed even greater losses proportionately.

Unemployment, meanwhile, has been rising since 2000 for the LR-NLR MSA, the State of Arkansas, and the U.S.A. By 2002, unemployment levels had erased most of the gains made during the prosperous middle and late 1990's. Although local unemployment has risen 1.3 percentage points from its low of 3.2 percent in 1999, it remains comparatively low at 4.5 percent and well below state and national averages.

**1990-2002 Job Growth  
LR-NLR vs. Arkansas and USA**

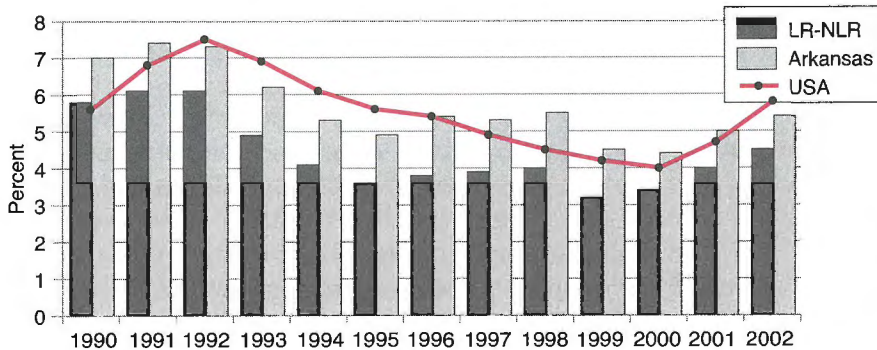


### The Good News in the Bad News

While Central Arkansas is hardly booming, job and labor force data show evidence of strength compared with state and national averages. The region has also shown more growth in both commercial and housing construction than the U.S. average (see p. 7). Local industries have weathered the recent

recession without really large losses or bankruptcies, and appear poised for growth in the near future.

**1990-2002 Unemployment  
LR-NLR MSA vs Arkansas and National Averages**



The future pace of job growth may, however, be tempered by the emergence of growing international competition in the very sectors in which the Little Rock-North Little Rock region has been historically strong (next article, p. 5).

Source: Arkansas Employment Security Department and US Bureau of Labor Statistics.

<sup>1</sup> Note that last year's edition of the Economic Review and Outlook pointed to net job loss for the LR-NLR MSA in 2001, but the U.S. Bureau of Labor Statistics and Arkansas Employment Security Dept. later revised these figures, yielding slight net growth through 2001 in the LR-NLR MSA.



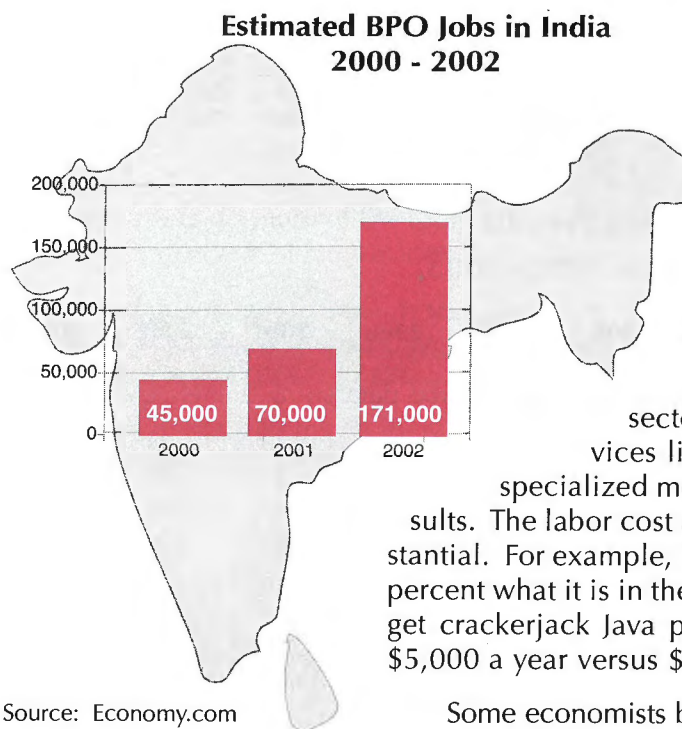
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## Business Process Outsourcing and the Darkening Horizon in Service Employment

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Central Arkansas has benefited in recent years from a surge in service employment. A lot of this recent job growth has been in industries with minimal environmental impacts, good working conditions and comparatively high rates of pay. The Central Arkansas region has a higher share than the national average of high-quality jobs in fields like business and health care services. These are “safe” jobs which do not get transferred overseas like manufacturing jobs. . . right?

Think again. A global revolution in telecommunications infrastructure has made information transfer possible with virtually any place on earth. Location is no longer a constraint. Any location with adequately educated workers can host information and service-sector jobs. There is a revolution under way in so-called BPO - Business Process Outsourcing.<sup>1</sup>



India is leading the trend. With over one billion people, very low labor costs, and widespread knowledge of the English language, India had 171,000 persons employed in BPO in 2002. The growth trend is unmistakable. In 1995, India had barely over one personal computer per 1,000 persons. By 2001, the ratio had climbed to more than one PC per twenty persons.<sup>2</sup> BPO is also growing in China, the Philippines, Russia, and elsewhere.

BPO can involve almost any kind of service-sector work, including call centers, business services like benefits administration and accounting, or specialized medical work like reading MRI and CAT scan results. The labor cost advantage of underdeveloped countries is substantial. For example, in India the total cost per worker runs about 20 percent what it is in the United States.<sup>3</sup> To quote an expert: “You can get crackerjack Java programmers in India right out of college for \$5,000 a year versus \$60,000 here.”<sup>4</sup>

Source: Economy.com

Some economists blame the overseas BPO trend for the prolonged slump in U.S. IT employment. Many of the jobs lost in the high-technology bust of 2000 and 2001, they say, may not return. Forrester Research estimates that foreign BPO has cost the U.S. about 400,000 service-sector jobs so far, a loss that may increase to 3.3 million by 2015.

In the long run, the trend offers benefits even for the United States. BPO will reduce business costs, while BPO-related economic growth in underdeveloped countries should increase their ability to purchase goods and services from the United States. But in the short run, the trend is likely to bring economic pain in sectors of the economy where security once seemed guaranteed. With its large share of medical and information service jobs, the Central Arkansas region may be impacted by trends in places that once seemed far away but can now be reached by the click of a computer mouse.

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<sup>1</sup> Kirkpatrick, David, “The Net Makes it all Easier - Including Exporting U.S. Jobs.” *Fortune*, May 26, 2003.

<sup>2</sup> World Bank, accessed online at <<http://www.worldbank.org>>.

<sup>3</sup> Singh, Virendra, “Lost Forever.” *The Dismal Scientist* (from Economy.com), June 19, 2003. <<http://www.dismal.com>>

<sup>4</sup> Stephanie Moore of Forrester Research, quoted by Steven Greenhouse, “I.B.M. Explores Shift of White-Collar Jobs Overseas.” *New York Times*, July 22, 2003.

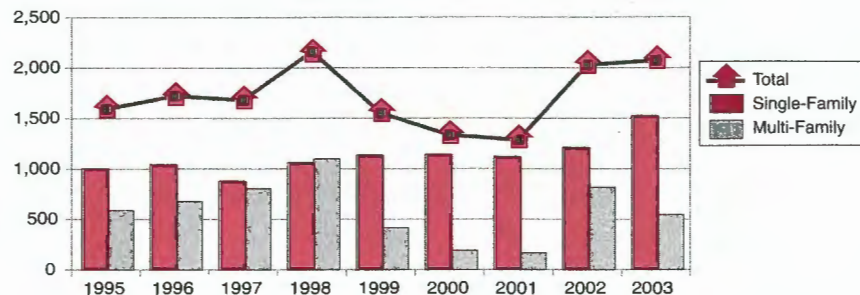
## Housing Trends

### Housing Construction Boom Continues Through Early 2003

Housing construction in the four-county region continued at a fast pace during the first half of 2003. The 1,526 single-family units constructed from January to June exceeded all previous totals. Multi-family construction was a bit slower compared with the first half of 2002, but was still the second highest total since 1998.

Benton, Cabot, and Conway saw the biggest rise in single-family construction compared with the first half of 2002. Most other cities also had gains. Multi-family construction occurred in several parts of the region, including two new major projects in Little Rock, one in North Little Rock, and a project in Maumelle.

**Total Housing Unit Permits LR-NLR MSA  
First Half of Year, 1995-2003**



**Housing Unit Permits  
First Half of Year, 1995-2003**

| Single-Family         | 1995  | 1996  | 1997  | 1998  | 1999  | 2000  | 2001  | 2002  | 2003  |
|-----------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Little Rock           | 261   | 263   | 230   | 265   | 287   | 283   | 239   | 276   | 331   |
| N. Little Rock        | 47    | 50    | 37    | 33    | 43    | 30    | 38    | 32    | 37    |
| Jacksonville          | 27    | 43    | 39    | 38    | 37    | 41    | 67    | 41    | 69    |
| Sherwood              | 49    | 46    | 46    | 67    | 71    | 64    | 64    | 95    | 120   |
| Maumelle              | 68    | 112   | 147   | 145   | 157   | 139   | 130   | 141   | 164   |
| Cabot                 | 183   | 155   | 93    | 139   | 140   | 157   | 160   | 159   | 209   |
| Benton                | 73    | 73    | 57    | 84    | 76    | 127   | 103   | 128   | 217   |
| Bryant                | 71    | 84    | 63    | 74    | 86    | 90    | 110   | 121   | 92    |
| Conway                | 225   | 218   | 167   | 218   | 240   | 211   | 208   | 219   | 287   |
| Single-Family Total   | 1,004 | 1,004 | 879   | 1,063 | 1,137 | 1,142 | 1,119 | 1,212 | 1,526 |
| Multi-Family          | 1995  | 1996  | 1997  | 1998  | 1999  | 2000  | 2001  | 2002  | 2003  |
| Little Rock           | 240   | 183   | 609   | 634   | 261   | 42    | 64    | 263   | 278   |
| N. Little Rock        | 0     | 0     | 2     | 0     | 0     | 0     | 0     | 59    | 56    |
| Jacksonville          | 1     | 0     | 7     | 1     | 58    | 80    | 0     | 114   | 4     |
| Sherwood              | 274   | 19    | 0     | 226   | 0     | 8     | 61    | 0     | 0     |
| Maumelle              | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 168   |
| Cabot                 | 13    | 5     | 0     | 0     | 20    | 0     | 0     | 144   | 0     |
| Benton                | 0     | 276   | 0     | 0     | 5     | 8     | 24    | 0     | 0     |
| Bryant                | 10    | 0     | 2     | 0     | 4     | 4     | 0     | 0     | 0     |
| Conway                | 51    | 194   | 184   | 236   | 67    | 50    | 17    | 237   | 39    |
| Multi-Family Total    | 589   | 677   | 804   | 1,097 | 415   | 192   | 166   | 817   | 545   |
| Total Housing Units   | 1995  | 1996  | 1997  | 1998  | 1999  | 2000  | 2001  | 2002  | 2003  |
| Total Housing Units   | 1,593 | 1,721 | 1,683 | 2,160 | 1,552 | 1,334 | 1,285 | 2,029 | 2,071 |
| Percent Single-Family | 63.0  | 60.7  | 52.2  | 49.2  | 73.3  | 85.6  | 87.1  | 59.7  | 73.7  |
| Percent Multi-Family  | 37.0  | 39.3  | 47.8  | 50.8  | 26.7  | 14.4  | 12.9  | 40.3  | 26.3  |



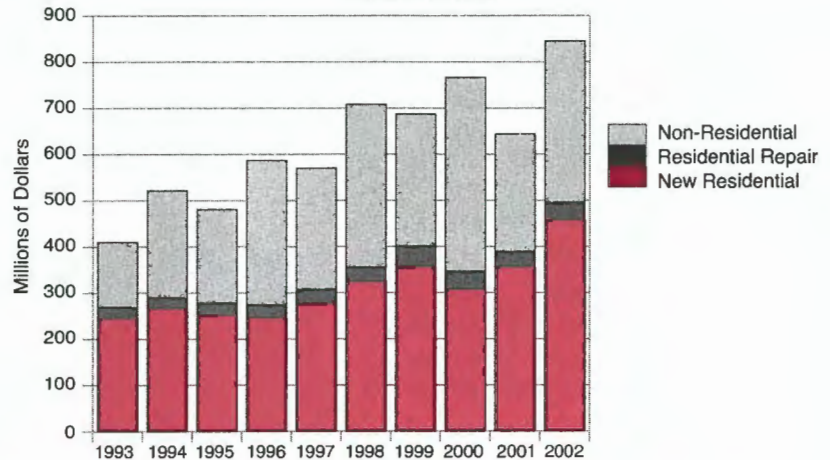
## Construction Trends

### Construction Industry Builds the Future Amid a Slow Economy

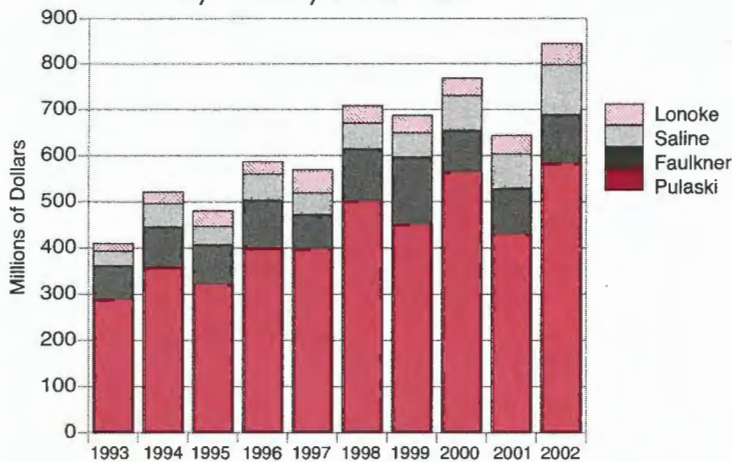
Building permit values hit \$844.7 million during 2002. This was a new record both in nominal dollars and after adjusting for inflation. New residential construction was the driving force behind the surge. At \$457 million, residential construction increased 28.6 percent over the previous year. The lowest interest rates in the past forty years were probably a major spur to single-family construction. Multi-family construction was also strong, in defiance of national trends.

Nonresidential construction also did well during 2002. At \$349.5 million, nonresidential construction surpassed all previous years except the peak of \$420.7 million in 2000. The Clinton Presidential Library, listed at \$83.7 million when a permit was issued during 2002, accounted for a large share of the total - nearly 24 percent of nonresiden-

**Building Permit Value Trends  
1993-2002**



**Total Building Permit Values  
by County 1993-2002**

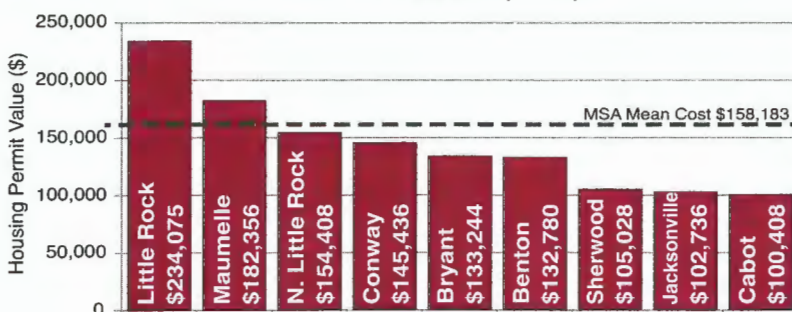


tial construction and more than ten percent of total construction.

Overall construction values rose in all four counties. Pulaski and Saline Counties logged their highest values ever at \$583.9 million and \$109.1 million respectively, while Faulkner and Lonoke Counties both showed growth compared with the recent past.

The Central Arkansas region's recent construction trend suggests comparative economic vitality amid a sluggish national economy. Residential construction rose by 27.3 percent locally from 2001 to 2002, faster than the national hike of 8.5 percent. Local nonresidential construction grew 37.2 percent from 2001 to 2002 while national nonresidential construction dropped by 13.3 percent.<sup>1</sup> Even without the presidential library, the local area would be handily outpacing the national average.

**2002 Average Single-Family Housing  
Permit Values by City**



<sup>1</sup> Census Bureau construction statistics  
<<http://www.census.gov/constr>>

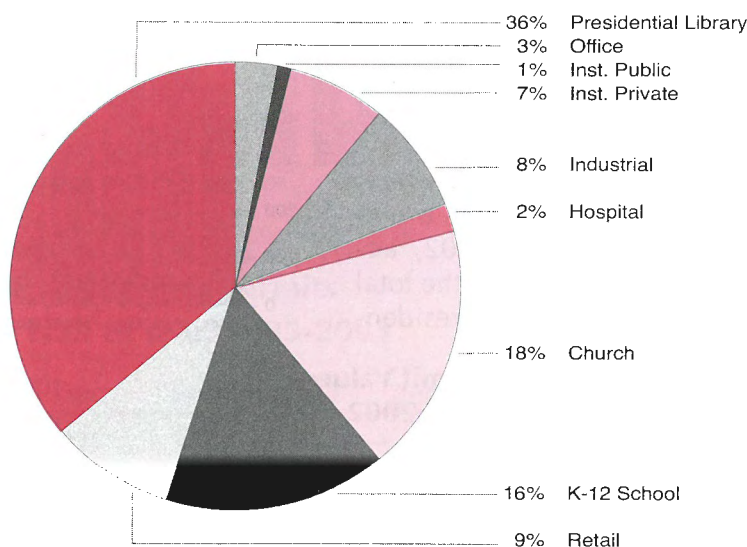
## Large Commercial Projects

There were thirty-nine projects in the Little Rock-North Little Rock MSA in 2002 worth over \$1 million at the building permit stage. Between them, these projects had a total value of about \$230 million, somewhat more than the \$167 million in large commercial projects during 2001.

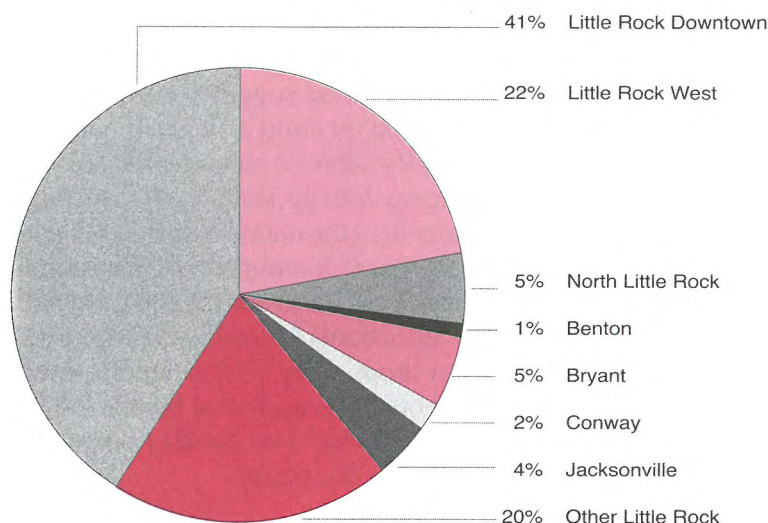
The largest project by far was the Clinton Presidential Library in downtown Little Rock, permitted at \$83.7 million and worth over \$100 million in total. This project alone accounted for over one-third of the total. The pending completion of the Presidential Library has played a role in leveraging other construction, including the fourteen-story mixed-use First Security Center, currently being built.

Downtown Little Rock accounted for about 41 percent of the overall total, while western Little Rock was about 22 percent and other parts of the city about 20 percent. Bryant, North Little Rock, Jacksonville and Conway all had over \$5 million in large projects. Churches accounted for 17.7 percent of all construction, followed by public schools, with 15.9 percent. Retail was next at 8.6 percent, followed by industrial at 7.7 percent.

**Large Commercial Projects  
2002 by Type**



**Large Commercial Projects  
2002 by City**



Little Rock Downtown refers to projects within a 2-mile radius of the Old State House.

Little Rock West refers to projects west of I-430 (north of I-30).

Metroplan's *Economic Review and Outlook* is an annual chronicle providing economic data and insight for the Little Rock-North Little Rock MSA.

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[www.metroplan.org](http://www.metroplan.org)

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## LR-NLR Socio-Economic Statistics 2002

|                             | LR-NLR MSA    | Faulkner    | Lonoke      | Pulaski       | Saline      |
|-----------------------------|---------------|-------------|-------------|---------------|-------------|
| Average Resident Employment | 299,375       | 44,050      | 26,000      | 186,225       | 43,100      |
| %Unemployment               | 4.5           | 5.1         | 3.9         | 4.7           | 3.8         |
| Manufacturing               | 26,700        | N/A         | N/A         | N/A           | N/A         |
| New Industries              | 2             | 0           | 0           | 2             | 0           |
| Expanding Industries        | 18            | 4           | 0           | 14            | 0           |
| Assessed Valuations (\$)    | 6,180,658,264 | 830,574,527 | 450,369,474 | 4,062,207,128 | 837,507,135 |
| Real Estate (\$)            | 4,338,354,749 | 590,441,716 | 313,634,994 | 2,805,001,819 | 629,276,220 |
| Personal Property (\$)      | 1,549,517,417 | 215,626,390 | 105,762,975 | 1,047,149,635 | 180,978,417 |
| Corporate (\$)              | 292,786,098   | 24,506,421  | 30,971,505  | 210,055,674   | 27,252,498  |
| Bank Deposits (\$)*         | 3,664,400,000 | 661,597,000 | 552,735,000 | 2,215,801,000 | 234,267,000 |
| Bank Assets (\$)*           | 3,289,701,000 | 558,581,000 | 505,222,000 | 2,012,392,000 | 213,506,000 |

\*Bank data exclude assets and deposits held by banks serving the area but based outside the four-county Little Rock-North Little Rock MSA.

Sources: Arkansas Employment Security Department, Arkansas Department of Economic Development, Arkansas Assessment Coordination Division, and Little Rock Regional Chamber of Commerce.

### Commuter Flows in Little Rock-North Little Rock MSA 2000

|                                   | Place of Residence |                 |                  |                 |                   |                  |                | Total<br>Workers by<br>County<br>of Work |
|-----------------------------------|--------------------|-----------------|------------------|-----------------|-------------------|------------------|----------------|------------------------------------------|
|                                   | Faulkner<br>County | Grant<br>County | Lonoke<br>County | Perry<br>County | Pulaski<br>County | Saline<br>County | Outside<br>MSA |                                          |
|                                   | Place of Work      |                 |                  |                 |                   |                  |                |                                          |
| Faulkner                          | <b>28,092</b>      | 25              | 254              | 1,015           | 1,600             | 215              | 4,694          | 35,895                                   |
| Grant                             | 3                  | <b>3,054</b>    | 6                | 0               | 84                | 154              | 901            | 4,202                                    |
| Lonoke                            | 196                | 4               | <b>9,536</b>     | 11              | 1,247             | 100              | 1,720          | 12,814                                   |
| Perry                             | 85                 | 2               | 7                | <b>1,282</b>    | 33                | 4                | 181            | 1,594                                    |
| Pulaski                           | 11,280             | 2,087           | 13,248           | 1,269           | <b>164,428</b>    | 22,165           | 17,423         | 231,900                                  |
| Saline                            | 214                | 466             | 97               | 15              | 1,932             | <b>14,668</b>    | 2,339          | 19,731                                   |
| Other in State                    | 1,706              | 1,743           | 1,643            | 757             | 3,575             | 1,838            |                |                                          |
| Other out of State                | 279                | 68              | 215              | 31              | 1,167             | 312              |                |                                          |
| Total Resident<br>Workers         | 41,855             | 7,449           | 25,006           | 4,380           | 174,066           | 39,456           |                |                                          |
| Total MSA Resident Workers        | 292,212            |                 |                  |                 |                   |                  |                |                                          |
| Total MSA Workers (place of work) | 306,136            |                 |                  |                 |                   |                  |                |                                          |

Figures in **bold red** show county residents working in their county of residence.

\*A total of 13,334 residents in the MSA commute to jobs outside the LR-NLR MSA, while a total of 27,258 workers living outside commute to jobs in the LR-NLR MSA.

Source: Census 2000

## Building Permit Values

### 2002 Building Permit Values - (\$ Millions of Dollars

|                        | All<br>Permits | New<br>Residential | Residential<br>Repairs & Additions | Non-Residential<br>New, Modification &<br>Repairs |
|------------------------|----------------|--------------------|------------------------------------|---------------------------------------------------|
| <b>Faulkner County</b> | 104.3          | 77.5               | 3.5                                | 23.3                                              |
| Conway                 | 104.3          | 77.5               | 3.5                                | 23.3                                              |
| <b>Lonoke County</b>   | 47.4           | 42.9               | 1.2                                | 3.3                                               |
| Cabot                  | 47.4           | 42.9               | 1.2                                | 3.3                                               |
| <b>Pulaski County</b>  | 583.9          | 245.6              | 31.1                               | 307.2                                             |
| Little Rock            | 420.6          | 148.7              | 24.1                               | 247.8                                             |
| North Little Rock      | 55.9           | 12.5               | 3.9                                | 39.5                                              |
| Jacksonville           | 27.3           | 13.6               | 0.6                                | 13.1                                              |
| Sherwood               | 29.9           | 20.7               | 2.5                                | 6.8                                               |
| Maumelle               | 50.1           | 50.1               | 0.0                                | 0.0                                               |
| <b>Saline County</b>   | 109.1          | 91.7               | 1.8                                | 15.7                                              |
| Benton                 | 55.3           | 45.0               | 1.2                                | 9.2                                               |
| Bryant                 | 53.8           | 46.7               | 0.6                                | 6.5                                               |

### 1999-2001 Building Permit Values - County and MSA Totals (\$ Millions of Dollars

|                        | All<br>Permits | New<br>Residential | Residential<br>Repairs & Additions | Non-Residential<br>New, Modification &<br>Repairs |
|------------------------|----------------|--------------------|------------------------------------|---------------------------------------------------|
| <b>Faulkner County</b> |                |                    |                                    |                                                   |
| 1999                   | 144.6          | 75.5               | 3.2                                | 65.9                                              |
| 2000                   | 86.7           | 51.6               | 3.0                                | 32.0                                              |
| 2001                   | 97.7           | 69.3               | 3.1                                | 25.3                                              |
| <b>Lonoke County</b>   |                |                    |                                    |                                                   |
| 1999                   | 37.6           | 26.8               | 1.1                                | 9.7                                               |
| 2000                   | 38.1           | 26.7               | 0.7                                | 10.7                                              |
| 2001                   | 40.3           | 32.0               | 0.5                                | 7.8                                               |
| <b>Pulaski County</b>  |                |                    |                                    |                                                   |
| 1999                   | 451.8          | 213.6              | 38.1                               | 200.2                                             |
| 2000                   | 564.8          | 178.9              | 32.5                               | 353.4                                             |
| 2001                   | 430.7          | 206.3              | 27.1                               | 197.3                                             |
| <b>Saline County</b>   |                |                    |                                    |                                                   |
| 1999                   | 53.0           | 40.6               | 2.0                                | 10.4                                              |
| 2000                   | 76.7           | 50.1               | 2.0                                | 24.5                                              |
| 2001                   | 75.0           | 48.4               | 2.3                                | 24.3                                              |
| <b>MSA</b>             |                |                    |                                    |                                                   |
| 1999                   | 687.0          | 356.4              | 44.4                               | 286.2                                             |
| 2000                   | 766.2          | 307.3              | 38.2                               | 420.7                                             |
| 2001                   | 643.7          | 356.0              | 33.0                               | 254.7                                             |



## 2002 New And Expanding Industries

### ADED List of New and Expanded Industries LR-NLR MSA 2002

| Category/Company                                    | City           | New or Expanded | SIC  | Product or Service                                   |
|-----------------------------------------------------|----------------|-----------------|------|------------------------------------------------------|
| <b>Non-Durable Manufacturing</b>                    |                |                 |      |                                                      |
| Raleigh Spring Water Company                        | Little Rock    | E               | 2086 | Bottled spring & distilled water                     |
| Unilever Bestfoods North America                    | Little Rock    | E               | 2099 | Skippy peanut butter                                 |
| Tokusen USA Inc.                                    | Conway         | E               | 2296 | Tire cord                                            |
| St. Jude Packaging & Specialities                   | Little Rock    | E               | 2653 | Litholaminated packages & speciality packaging       |
| Wes-Pak Inc.                                        | Little Rock    | E               | 2653 | Corrugated medical containers & coolers              |
| Kimberly-Clark Corporation                          | Maumelle       | E               | 2844 | Baby wipes                                           |
| Balcones Fuel Technology                            | Little Rock    | E               | 2999 | Fuel cubes of recycled plastic, wood & paper         |
| Veriplas Containers Inc.                            | Little Rock    | E               | 3085 | Plastic containers                                   |
| <b>Durable Manufacturing</b>                        |                |                 |      |                                                      |
| Power Technology Inc.                               | Alexander      | E               | 3679 | Laser diode systems-electronic components            |
| Raytheon Aircraft Company                           | Little Rock    | E               | 3721 | Aircraft and aircraft components                     |
| Steele Plastics Inc.                                | Conway         | E               | 3732 | Fiberglass tanks for wastewater/sewage industry      |
| Gibson Piano Ventures Inc                           | Conway         | E               | 3931 | Wood finishing for grand pianos                      |
| Splash Superpools LLC                               | N. Little Rock | E               | 3949 | Above ground swimming pools, spas/hot tubs           |
| <b>Warehousing</b>                                  |                |                 |      |                                                      |
| Scholastic Distribution Services<br>Wholesale Trade | Maumelle       | N               | 4225 | Storing/packaging/distributing educational materials |
| Applica Consumer Products                           | Little Rock    | E               | 5064 | Wholesale distributor of small appliances            |
| Sysco Food Services of Arkansas                     | Little Rock    | E               | 5141 | Distribution of wholesale food products              |
| <b>Insurance</b>                                    |                |                 |      |                                                      |
| American Management Corp.                           | Conway         | E               | 6400 | Insurance agents & brokers - corporate office        |
| <b>Retail Trade</b>                                 |                |                 |      |                                                      |
| Hilton                                              | Little Rock    | E               | 7011 | Hotels                                               |
| <b>Business Services</b>                            |                |                 |      |                                                      |
| GC Services                                         | Little Rock    | N               | 7322 | Accounts receivable management                       |
| MedEvolve Inc.                                      | Little Rock    | E               | 7371 | Computer services                                    |

Source: Arkansas Department of Economic Development (ADED)

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## Economic Outlook 2004

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The national economy remains in a state of sluggish recovery with reviving indicators but no immediate prospect for significant employment growth. Protracted military engagements abroad, uncertain energy markets, and soaring federal debt levels will dampen national economic performance.

The Little Rock-North Little Rock region is slightly better positioned than average in face of diminishing national expectations. Economic diversity has shielded the region from the worst cyclical effects. The region's commercial and housing construction levels have exceeded the national rate, representing solid investment by capital markets in the future of central Arkansas. Local employment in the critical Information sector (NAICS Code 51) has remained level since 2001 despite losses at the national level, suggesting that the region retains competitive advantages in a vital sector which may be poised for renewed growth soon.<sup>1</sup>

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<sup>1</sup> U.S. Industry Forecast 8/18/2003 from Economy.com



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