NATIONAL COMMISSION ON ENTREPRENEURSHIP

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HIGH-GROWTH COMPANIES:

Mapping America's Entrepreneurial Landscape

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Prepared by the
National Commission on Entrepreneurship

The National Commission on Entrepreneurship *was established to provide local, state, and national leaders with a roadmap for sustaining and expanding a flourishing entrepreneurial economy. Entrepreneurship is the critical force behind innovation and new wealth creation—the key drivers of our country's economic growth. Through research, publishing, conferences and other events, the Commission promotes an agenda that helps grow a successful entrepreneurial economy into the 21st Century.*

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Key Findings

High-growth companies are truly extraordinary in the economy; fewer than one in twenty U.S. businesses achieve high-growth rates. Only 4.7 percent of all businesses that existed in 1991 grew their employment by at least 15 percent per year or at least doubled their employment over five years from 1992 until 1997. An even smaller percentage of all U.S. start-ups, 4.5 percent, grew to 20 employees or more by the end of 1996. So fewer than five percent of all U.S. businesses are the big creators of new jobs in the U.S. economy.

High-growth companies are found in all regions of the country, often concentrated in the most surprising areas. For example, many areas in the "rust belt" – long viewed as an area of slow economic growth – show a surprisingly large number of high-growth companies.

This study maps high-growth companies, using the latest available Census Bureau data, in every single county in the United States. These comprehensive data allow every community, no matter how small, to compare itself with other similarly sized areas nationwide. Other studies that focus on growing companies most often analyze only major metropolitan areas, while a few others look at perhaps 50 or 100 other smaller cities.

Most fast-growing, entrepreneurial companies are not in "high-tech" industries. Flying in the face of conventional wisdom that high-growth companies are all found in high-technology industry sectors, the data show that fast-growing, entrepreneurial companies are widely distributed across all industries.

Sector	Number of High-Growth Companies In Sector	Number of All Start-Ups Growing to 20 or More Employees in Sector
Manufacturing	25,273	4,566
Business Services	28,254	5,663
Distributive	38,452	4,488
Extractive	5,798	513
Local Market	113,001	15,656
Retail	48,619	11,055

Each one of the 394 regions in the country contains some high-growth companies. While there is significant variation in the percentage of high-growth companies among Labor Market Areas (LMA), every LMA – no matter how small, how far from Silicon Valley, and how much its population is falling – hosts growth companies that provide a base on which to build more high-growth companies. The Los Angeles LMA (population: 14.5 million) may have 14,000 such companies, but even tiny Amsterdam, NY (population: 111,000) has more than 53.

Most regions' high-growth companies concentrate in certain specific industry sectors. The data highlight regional strengths upon which future economic development strategies can be built. Consistent with economic development theories based on industry clusters, the data show that 89 percent of all of the LMAs in the country have comparative strengths in certain industry sectors, relative to other LMAs in their population size classes.

Entrepreneurial Growth Companies: A Starting Point for Regional Economic Health

The National Commission on Entrepreneurship (NCOE) commissioned research to examine the question of where the U.S. fastest-growing companies were located during the 1990s. While everyone has a "sense" about fast-growing businesses nationally and can name a few "entrepreneurial" regions, we intend to paint a picture that shows exactly where businesses have historically grown rapidly.

Former House Speaker Tip O'Neill (D-MA) stated many years ago that "all politics is local." We would argue that growing economies are "local." To understand and build national policy, we must first look to regions and examine what is happening there.

In her book, *Regional Advantage: Culture and Competition in Silicon Valley and Route 128*, Professor Annalee Saxenian says: "Regional policy is likely to be as important as macroeconomic or sectoral policies in ensuring industrial competitiveness . . ." Both older and newer industrial regions "will need to promote the local relationships needed to sustain collaborative — and competitive — advantage."[1] And she adds, "It is helpful to think of a region's industrial system as having three dimensions: local institutions and culture, industrial structure, and corporate organization."[2]

The starting point for anyone concerned about economic development in a particular region is answering the question: "What is the recent history of entrepreneurial growth companies in our region?"

Documenting whether there has been a prevalence (or dearth) of entrepreneurial growth companies in any region can be a vital starting point in constructing a picture of, in Saxenian's words, the "industrial structure" of the region. Are these growth companies clustered in one or several industries? Are they competitors, or suppliers and customers of one another? Are they drawing upon certain resource strengths of the region — human resources with certain skill sets, certain technology resources like university labs, or proximity to certain markets, for example?

Throughout her book, Saxenian also argues that the telling of the "stories" of the entrepreneurial growth companies in the two regions she studied (Silicon Valley and Route 128 in Massachusetts) was critical in establishing their local cultures — in setting the expectations of local fledgling entrepreneurs, in providing role models for local entrepreneurs, and in defining the values of the industrial cultures in both regions.

Entrepreneurs around the country in NCOE-sponsored focus groups confirmed the belief that a sense of shared history and business stories were important to the community culture that encourages entrepreneurs to start businesses and fosters the networks that support them.[3]

In short, it is impossible even to begin thinking about developing an entrepreneurial economy without knowing a region's industrial history and what local "stories" could be told to foster that development. The starting point for anyone concerned about economic development in a particular region is answering the question: "What is the recent history of entrepreneurial growth companies in our region?" This study provides precisely that starting point.

What this Report Measures: The Map and the Growth Company Index

Our study points out those areas that have a history of high entrepreneurial growth using the most comprehensive data available — data from the U.S. Census Bureau. For years, researchers have pressed the Census Bureau to collect and make available data on individual company growth rates, because they had been previously limited to sporadic data snapshots of general trends of employment growth by region. That goal was finally achieved with the Census Bureau's Business Information Tracking System (BITS) database (based on the Bureau's Longitudinal Establishment and Enterprise Microdata and County Business Patterns databases). BITS is a longitudinal database that for the first time permits researchers to look at individual firms and track their employment growth over time.[4]

Companies with High Rates of Job Creation Over Time

The Census Bureau data differ from other measures of company growth in a significant way. Many studies distinguishing high-growth companies from other businesses rely on rates of increase in company revenues. The data in this report focus solely on rates of employment growth. The high-growth companies counted in this study have achieved or exceeded a minimum annual rate of increase in employment; they create new jobs in their communities at an extraordinary pace.

Moreover, the data in this report also map those areas that have a solid foundation of new and growing companies, instead of highlighting this year's current economic "hotspots." These areas contain companies with significant growth patterns over time, and the data are not affected by the rise and collapse of the dot-com bubble.

Data for Every Region of the Country

This study not only adds to the current literature on fast-growing companies, but also for the first time breaks the United States into "real" regions. We use Labor Market Areas (LMA) designations, created by the U.S. Department of Agriculture, that divide the whole country into 394 areas, using commuting distance as the measure of a region for the purpose of looking at the number of employees in specific businesses.[5]

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Many studies of growing regions are limited to data from large metropolitan areas; others do include a select number of smaller metro regions. But for the first time, data from every single county in the country, no matter how small, are the basis of growth company benchmarks.

We have devised a map (available at our web site, www.ncoe.org) that shows in clear detail where the areas of fast growing companies were located in the 1992-1997 time frame. Many of them bear out conventional wisdom while others are surprising. Of equal or greater interest, we have compiled a data sheet for each LMA. To see the counties that comprise each LMA, please refer to our website. Many LMAs cross state borders and each county is listed in the LMA data sheet, regardless of state. The LMA information includes:

- ❖ Its rating on our Growth Company Index;
- ❖ How each LMA ranks with other LMAs of the same population size class;
- ❖ The number of businesses that grew at least 15 percent per year for five years (or 100 percent in five years);
- ❖ A general indication of which businesses sectors grew at rates exceeding the LMA-size-class average.

The Growth Company Index (GCI)

The NCOE developed the Growth Company Index (GCI). It weights the percentage of existing firms with high employment growth (at least 15 percent per year for five years, or 100 percent in five years) in the 1992-1997 period, and the percentage of firms that started in 1992 or 1993 and had at least 20 employees by 1997. (The GCI is set to a 200-point scale in which “100” represents the average score for all LMAs.) We included information on established firms and new firms because both are necessary to create an accurate picture of a region. New firms are not the only source of new jobs; existing firms experience growth spurts that lead to the high rates of job creation.

The Growth Company Index weights the percentage of existing firms with high growth and the percentage of firms that had at least 20 employees in their first five years.

What this Report Does Not Measure

The data for this report are the most recent provided by the government, but unfortunately are about four years old — which can seem like an eternity in the dizzying growth of an entrepreneurial economy. The figures do not capture the tremendous economic boom of the 1998-2000 period, but they do provide the most comprehensive foundation for understanding the historic, basic entrepreneurial underpinnings of a community.

These data show the number of fast-growing companies in an LMA and provide information on their economic sector. What the data do not reflect is the size of the firm that meets the rate-of-growth criteria. For example, in the Seattle LMA, Microsoft is counted as only one company that grew at least 100 percent over five years, even though it created literally thousands of new jobs. A smaller company that grew by 100 percent over five years to say, only 100 employees, is also counted as one company. Thus, the data can lead to some counterintuitive results. However, they do help gauge the breadth of entrepreneurial activity, the density of entrepreneurial growth companies, and the number of entrepreneurs in any region.

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This is the only study that measures the growth of individual companies over time. It is not a study of economic growth of a region; it is a report on the number of entrepreneurial companies in every region. Other, more recent data like "Hot Spots" or *Forbes* or *Fortune's* "best area" stories measure economic growth and other statistics by region. Nevertheless, their results generally track the trends indicated in this study.

How to Use this Report: A Starting Point for Every Region

Recall that these data provide a starting point for regions to explore economic development strategies based on entrepreneurial growth companies. Although Growth Company Index scores vary widely among LMAs, the important point to remember is that all LMAs are home to some high-growth companies. The largest LMA in the country, Los Angeles, had the most with more than 14,000; but even small Amsterdam, NY — one of our lowest ranked LMAs — had 53. So even economic development officials for Amsterdam, NY can begin work on expanding entrepreneurship within their LMA by looking to those 53 success stories — whether or not they are in high-technology industries.

Not Just High-Tech Companies

The data in this study also demonstrate that high-growth companies are found across all business sectors, and not just those limited to high-technology. This report should encourage community leaders to learn about the "industrial structures" in their regions, to build upon the strengths of those structures, and then foster a climate conducive for entrepreneurial growth companies within the region's strongest industry sectors – high-tech or not. "But we can never be a Silicon Valley" should no longer excuse inattention to this critical task.

The data in this study demonstrate that high-growth companies are found across all business sectors, and not just those limited to high-technology.

Asking the Right Questions

At a minimum, community leaders interested in economic development in any region can work to identify their growth companies. Which companies are those reflected in these data? Are they still growing? Are they still operating in our region? Do the entrepreneurs at the helms of these companies have opinions as to the entrepreneurial climate of the region? Can these entrepreneurs identify steps community leaders can take right now to enhance that climate?

Fortunately, beyond answering these questions, even more help is on the way — from the Kauffman Foundation's Center for Entrepreneurial Leadership (KCEL), which funds the National Commission on Entrepreneurship. In March of 2001, KCEL launched a major new research-and-engagement initiative called "The Regional Entrepreneurship Catalyst." The Regional Catalyst will help regions become more responsive to the needs of entrepreneurship by:

- ❖ Modeling regional entrepreneurial dynamics using regional social, demographic, and economic factors;
- ❖ Highlighting regional acceleration strategies;
- ❖ Developing the next generation of benchmarks and self-assessment tools focused on entrepreneurship;
- ❖ Identifying common policy issues; and
- ❖ Building partnerships and pathways for communication between and among regions for the exchanges of innovative regional strategies and practices that accelerate entrepreneurship.

The Regional Catalyst will equip regional leaders with the tools they need to develop a rich strategy for economic development in their LMAs based on starting and growing entrepreneurial companies.

Endnotes

[1] Annalee Saxenian, *Regional Advantage: Culture and Competition in Silicon Valley and Route 128* (Cambridge: Harvard University Press, 1994), p. 165.

[2] Saxenian, p. 7.

[3] National Commission on Entrepreneurship, *Building Companies, Building Communities: Entrepreneurs and the New Economy* (Washington, DC: NCOE, 2000), pp. 16-19. Available at http://www.ncoe.org.

[4] See Z.J. Acs and C. Armington, *Longitudinal Establishment and Enterprise Microdata (LEEM) Documentation* (Washington, DC: U.S. Bureau of the Census, Center for Economic Studies, CES 98-9, 1998).

[5] See C.M. Tolbert and M. Sizer, "U.S. Commuting Zones and Labor Market Areas: a 1990 Update," (Washington, DC: U.S. Department of Agriculture, Economic Research Service, Rural Economy Division, Staff Paper No. AGES-9614, 1966).

Rankings of LMAs by Growth Company Index

TABLES ARRANGED

BY POPULATION SIZE

Readers' Guide to The Tables

LMA populations — This first line of every group of LMAs in the tables identifies the "LMA size class" in which the LMAs listed below fall. The size class is a measure of the population of the LMAs within the class. There are seven size categories: More than 3,000,000; 1,000,000 to 3,000,000; 750,000 to 1,000,000; 500,000 to 750,000; 300,000 to 500,000; 150,000 to 300,000; and 100,000 to 150,000.

LMA - Name — The name given the "Labor Market Area" (LMA) defined as a commuting zone under Department of Agriculture guidelines. Every county in the commuting zone is assigned to the LMA.

LMA No. — This is the number assigned to the LMA for data collection and sorting purposes.

Total No. Comps. 1991 — This is the total number of business establishments in the LMA that existed in 1991 ("1991 business establishments").

No. High-Growth Comps. — This is the number of 1991 business establishments in the LMA that achieved at least 15 percent employment growth each year for the next five years, or 100 percent job growth over five years ("high-growth comps.").

GCI Index — This is the Growth Company Index for the LMA. To calculate the GCI for any LMA, equal weight is given to the ranking of the LMA among other LMAs as a home to "high-growth comps." (see above) and to the ranking of the LMA among other LMAs as a home to 1992-93 start-ups that grew to 20 employees or more by 1997 ("high growth start-ups"). The GCI is set to a 200-point scale in which "100" represents the average score for all LMAs.

Strongest Business Sectors — All businesses were categorized as one of six sectors, based on Standard Industry Classification (SIC) Codes: business services, manufacturing, distributive, extractive, retail, or local market:

- ❖ Business Services includes SICs 7300-7399 and 8700-8799 (including engineering, accounting, research, and management services).
- ❖ Distributive includes SICs 4000-5199 (transportation, communication, public utilities, and wholesale trade).
- ❖ Manufacturing includes SICs 2000-3999.
- ❖ Extractive includes SICs 0700-1499 (agricultural services and mining).
- ❖ Retail Trade includes SICs 5100-5299.
- ❖ Local Market includes SICs 1500-1799 and 6000-8999 (excluding Business Services and including construction, consumer and financial services).

If an LMA's percentage of "high-growth comps." in a particular sector was significantly higher than the average for its "LMA size class" (see above), that sector is one of the "strongest sectors" for that LMA.

Ranking of LMAs by Growth Company Index

LMAs with populations of more than 3 million

LMA - Name		LMA No.	Total No. Comps. 1991	No. High-Growth Comps.	GCI Index	Strongest Business Sectors
Boston	MA	205	109,369	5,498	177	Business Services
Detroit	MI	116	101,475	5,217	167	Manufacturing
Houston	TX	320	78,217	4,095	157	Distributive, Extractive
ArlingtnWashBalt	VA	113	147,063	7,156	156	Business Services
Chicago	IL	243	161,118	7,741	144	Distributive
San Francisco	CA	378	108,795	5,121	143	Business Services
Los Angeles	CA	383	309,194	14,050	131	Distributive, Manufacturing
Philadelphia	PA	197	117,115	5,044	109	Retail
Seattle	WA	394	79,123	3,797	102	Retail
Bridgeport	CT	209	86,247	3,569	89	Extractive, Retail
Newark	NJ	196	136,485	5,605	78	Distributive
Miami	FL	70	90,179	4,015	70	Distributive
New York	NY	194	260,341	10,047	56	Distributive, Local Market
Average			137,286	6,227	121	

LMAs with populations of 1 - 3 million

LMA - Name		LMA No.	Total No. Comps. 1991	No. High-Growth Comps.	GCI Index	Strongest Business Sectors
Phoenix	AZ	350	50,608	3,575	197	
Salt Lake City	UT	361	23,391	1,617	196	Distributive
Dallas	TX	331	64,298	3,727	195	Business Services, Distributive, Extractive, Local Market, Manufacturing, Retail
Fort Worth	TX	330	29,981	1,732	194	Local Market, Manufacturing
Atlanta	GA	91	69,279	4,479	190	Business Services, Distributive, Local Market, Retail
Minneapolis	MN	215	59,091	3,416	189	Local Market, Manufacturing
Columbus	OH	159	30,915	1,683	186	Business Services
San Jose	CA	375	48,592	2,634	178	
Kansas City	MO	295	44,852	2,287	177	
Louisville	KY	131	24,267	1,239	177	Retail Trade
New Orleans	LA	33	27,031	1,307	176	Extractive
Denver	CO	289	51,542	3,215	173	Business Services, Extractive
Grand Rapids	MI	122	22,999	1,339	171	Manufacturing
Charlotte	NC	9	28,383	1,544	169	Business Services, Distributive
Memphis	TN	52	21,553	1,114	167	Distributive
Raleigh	NC	17	25,768	1,507	167	Business Services, Local Market
San Antonio	TX	313	29,491	1,563	167	
Milwaukee	WI	241	36,121	1,814	166	Business Services, Manufacturing
Cincinnati	OH	127	38,716	1,832	164	
St. Louis	MO	247	51,457	2,367	163	
Indianapolis	IN	142	30,310	1,585	157	
Cleveland	OH	152	58,794	2,849	156	Business Services, Distributive, Extractive, Local Market, Manufacturing, Retail
Virginia Beach	VA	20	20,291	986	156	
Portland	OR	388	39,656	2,349	150	

LMAs with populations of 1 - 3 million, continued.

LMA - Name		LMA No.	Total No. Comps. 1991	No. High-Growth Comps.	GCI Index	Strongest Business Sectors
Manchester	NH	206	26,459	1,411	147	Manufacturing
Orlando	FL	74	31,405	1,659	135	
Oklahoma City	OK	338	26,722	1,251	133	Extractive
San Diego	CA	380	53,871	2,453	121	
Dayton	OH	125	24,505	1,129	111	Manufacturing
Pittsburgh	PA	163	55,858	2,164	98	Business Services, Distributive, Local Market, Manufacturing, Retail
Providence	RI	204	35,133	1,502	90	Manufacturing
Fresno	CA	372	21,510	903	89	Extractive
Sacramento	CA	374	46,983	1,965	89	Business Services, Extractive, Local Market, Retail
Reading	PA	191	21,503	863	88	Manufacturing
Buffalo	NY	180	47,738	1,832	77	Manufacturing
Tampa	FL	67	48,882	2,182	70	Business Services, Local Market
West Palm Beach	FL	71	32,743	1,425	69	
Albany	NY	186	22,286	753	30	
Syracuse	NY	177	22,325	763	30	
Average			**37,059**	**1,899**	**143**	

LMAs with populations of 750,000 - 1 million

LMA - Name		LMA No.	Total No. Comps. 1991	No. High-Growth Comps.	GCI Index	Strongest Business Sectors
Austin	TX	312	20,915	1,514	193	Business Services
Las Vegas	NV	379	19,322	1,260	191	Local Market
Nashville	TN	56	24,458	1,465	172	Local Market
Toledo	OH	135	18,372	875	164	Manufacturing
Birmingham	AL	107	20,177	1,067	157	
Greenville	SC	83	16,330	772	155	Manufacturing
Tucson	AZ	351	16,663	990	150	Business Services, Local Market
Jacksonville	FL	76	22,442	1,157	145	
Omaha	NE	282	18,123	857	133	Distributive
Eugene	OR	389	20,237	1,080	124	Manufacturing
El Paso	TX	306	14,891	709	122	Local Market
Richmond	VA	24	21,831	1,030	122	
Youngstown	OH	164	16,109	646	117	Manufacturing
Tulsa	OK	304	22,025	1,048	111	Local Market, Manufacturing, Extractive
Greensboro	NC	5	21,345	944	100	Manufacturing
Harrisburg	PA	192	20,484	883	90	Manufacturing, Retail
Scranton	PA	188	17,781	565	63	Retail
Brick Township	NJ	195	21,510	970	60	Retail
Honolulu	HI	347	23,851	782	29	Distributive
Poughkeepsie	NY	193	17,426	551	4	Retail
Average			19,715	958	120	

LMAs with populations of 500,000 – 750,000

LMA - Name		LMA No.	Total No. Comps. 1991	No. High-Growth Comps.	GCI Index	Strongest Business Sectors
Baton Rouge	LA	35	13,449	769	**194**	Local Market
Albuquerque	NM	349	14,240	902	**182**	Business Services, Local Market
Fort Wayne	IN	141	11,622	588	**177**	Manufacturing
Little Rock	AR	42	13,036	757	**159**	Business Services, Local Market
Madison	WI	231	12,505	667	**157**	Business Services
Knoxville	TN	3	15,166	761	**156**	
Florence	SC	13	12,091	567	**155**	Retail
Chattanooga	TN	64	11,066	506	**153**	Business Services
Lexington-Fayette	KY	129	12,460	569	**153**	Business Services
Gary	IN	149	11,637	519	**152**	
Jackson	MS	30	11,677	561	**144**	
South Bend	IN	136	13,128	666	**144**	Local Market, Manufacturing
Des Moines	IA	275	16,291	749	**142**	Distributive
Shreveport	LA	40	11,617	532	**142**	Extractive
Pensacola	FL	109	10,863	643	**139**	Local Market
Spokane	WA	386	13,837	763	**136**	Distributive
Racine	WI	240	10,942	501	**132**	Distributive, Manufacturing
Mobile	AL	110	12,520	632	**123**	
Canton	OH	150	13,910	628	**121**	Distributive, Manufacturing
Columbia	SC	81	13,577	607	**121**	Business Services
Wichita	KS	293	14,402	617	**120**	Extractive
Winston-Salem	NC	4	11,221	488	**120**	
Santa Barbara	CA	382	14,887	651	**110**	Business Services, Extractive
Anchorage	AK	341	12,861	750	**106**	Local Market
Brownsville	TX	316	10,677	504	**102**	Distributive, Retail
Allentown	PA	190	13,106	488	**97**	Manufacturing
Fayetteville	NC	14	9,448	427	**91**	Retail
Rockford	IL	244	12,058	511	**80**	Manufacturing
Saginaw	MI	119	10,324	458	**70**	Manufacturing
Santa Rosa	CA	377	14,360	636	**70**	Business Services, Manufacturing
Portland	ME	201	16,567	712	**69**	
Charleston	SC	82	12,350	507	**57**	

LMAs with populations 500,000 – 750,000, continued.

LMA - Name		LMA No.	Total No. Comps. 1991	No. High-Growth Comps.	GCI Index	Strongest Business Sectors
Erie	PA	165	13,602	538	56	Manufacturing
Peoria	IL	239	11,092	434	56	Distributive, Retail
Wilmington	DE	198	12,471	474	56	Business Services, Local Market
Johnson City	TN	1	9,839	368	55	Manufacturing
Springfield	MA	208	13,904	521	55	Manufacturing
Bakersfield	CA	371	9,887	358	54	Business Services, Distributive, Extractive
Newport News	VA	25	9,548	391	45	Business Services, Retail
Modesto	CA	370	11,315	420	43	
Dover	DE	199	14,042	495	22	Local Market
Sarasota	FL	69	15,683	554	12	Business Services, Local Market
Average			12,602	576	108	

LMAs with populations of 300,000 – 500,000

LMA - Name		LMA No.	Total No. Comps. 1991	No. High-Growth Comps.	GCI Index	Strongest Business Sectors
Elkhart	IN	137	7,336	479	**183**	Manufacturing
Lafayette	LA	38	10,065	542	**168**	Extractive
Savannah	GA	88	8,734	455	**167**	Business Services
Green Bay	WI	226	7,871	399	**166**	Distributive, Manufacturing
Lansing	MI	117	8,500	426	**166**	Business Services
Lubbock	TX	308	8,396	415	**165**	Distributive, Extractive
Reno	NV	376	11,736	611	**157**	
Kalamazoo	MI	121	9,478	458	**156**	Manufacturing
Macon	GA	89	6,863	321	**155**	
Hickory	NC	11	7,462	342	**153**	Manufacturing
Corpus Christi	TX	317	9,499	475	**134**	Extractive, Retail
Springfield	MO	297	8,682	433	**134**	Distributive
Evansville	IN	147	8,672	398	**132**	Distributive, Retail
Appleton	WI	225	11,083	505	**131**	Distributive, Manufacturing
Fort Collins	CO	288	7,870	532	**128**	
Colorado Springs	CO	284	9,790	600	**126**	Business Services
Montgomery	AL	111	8,400	416	**123**	Distributive, Retail
Rome	GA	66	6,874	345	**123**	Distributive, Manufacturing
Anniston	AL	96	6,823	322	**122**	Manufacturing, Retail
Muncie	IN	140	7,760	362	**122**	
Wausau	WI	227	7,506	326	**120**	Distributive, Manufacturing, Retail
Waco	TX	328	6,662	274	**118**	Manufacturing
Tuscaloosa	AL	108	5,528	219	**117**	Manufacturing
Boise City	ID	358	9,885	611	**117**	Business Services, Local Market
Tyler	TX	333	7,404	381	**113**	Extractive
Lake Charles	LA	37	5,324	250	**111**	Local Market
Lincoln	NE	281	7,616	318	**109**	Local Market
Tallahassee	FL	99	7,420	372	**103**	Business Services, Local Market
Columbus	GA	97	6,225	269	**100**	Local Market
Gastonia	NC	8	7,457	328	**100**	Local Market, Manufacturing
Duluth	MN	260	7,200	300	**99**	Distributive
Asheville	NC	12	11,000	527	**92**	Local Market

LMAs with populations of 300,000 - 500, 000, continued.

LMA - Name		LMA No.	Total No. Comps. 1991	No. High-Growth Comps.	GCI Index	Strongest Business Sectors
Biloxi	MS	27	6,656	321	**92**	
Huntsville	AL	60	9,020	404	**91**	Business Services, Manufacturing
Lorain	OH	151	7,632	351	**91**	Manufacturing
Spartanburg	SC	7	6,441	277	**90**	Manufacturing
Topeka	KS	292	10,525	459	**90**	
Beaumont	TX	321	8,501	361	**89**	Business Services
Mansfield	OH	160	5,990	233	**87**	Manufacturing
Greenville	NC	19	8,956	424	**82**	
Davenport	IA	238	9,893	388	**77**	
Lafayette	IN	145	6,419	246	**77**	Distributive, Extractive
Altoona	PA	162	8,562	301	**75**	Local Market
Binghamton	NY	179	5,557	185	**75**	Business Services, Distributive, Manufacturing
Decatur	IL	235	7,728	334	**69**	
South Augusta	GA	84	9,106	393	**69**	
Charleston	WV	169	7,696	321	**68**	Distributive, Extractive, Retail
Morgantown	WV	167	7,051	295	**68**	Business Services, Extractive, Local Market
Odessa	TX	314	8,253	335	**67**	Distributive, Extractive
Hagerstown	MD	174	7,182	268	**65**	Local Market, Manufacturing
Columbia	MO	296	7,782	333	**58**	Local Market
Alton	IL	249	7,105	277	**56**	Business Services, Distributive
Claremont	NH	203	9,804	394	**56**	Manufacturing, Retail
Amarillo	TX	309	10,183	376	**55**	Distributive, Extractive
Elmira	NY	181	6,501	203	**53**	Business Services, Distributive, Manufacturing
Roanoke	VA	166	9,415	407	**47**	Distributive
Cape Coral	FL	72	14,543	612	**46**	Business Services, Extractive, Local Market
Lakeland	FL	68	10,129	422	**46**	Extractive
Huntington	WV	171	6,248	228	**43**	Distributive, Retail
Bangor	ME	200	9,698	397	**36**	Distributive, Manufacturing

LMAs with populations of 300,000 – 500,000, continued.

LMA - Name		LMA No.	Total No. Comps. 1991	No. High-Growth Comps.	GCI Index	Strongest Business Sectors
Palm Bay	FL	73	11,461	463	**35**	Business Services, Extractive, Local Market
Springfield	IL	248	7,533	302	**35**	Distributive
Bluefield	WV	112	6,311	240	**33**	Distributive, Extractive
Chico	CA	373	7,280	238	**29**	Extractive, Local Market
Daytona Beach	FL	75	10,071	391	**24**	Business Services, Local Market
Carbondale	IL	256	5,828	214	**13**	Local Market
Average			8,215	370	95	

LMAs with populations of 150,000 – 300,000

LMA - Name		LMA No.	Total No. Comps. 1991	No. High-Growth Comps.	GCI Index	Strongest Business Sectors
Provo	UT	360	4,170	332	200	Business Services
St. George	UT	359	3,187	234	198	
St. Cloud	MN	214	4,491	242	186	Manufacturing
Cleveland	TN	65	3,689	195	185	Local Market, Manufacturing
Killeen	TX	329	3,747	228	180	Local Market
Clarksville	TN	59	3,301	181	178	Retail
Houma	LA	34	5,083	277	178	Distributive, Extractive
Tupelo	MS	50	3,792	188	177	Manufacturing
Gallup NM	AZ	355	2,331	128	169	Local Market
Fargo	ND	268	6,430	334	167	Distributive
Hinesville	GA	87	3,043	156	167	Retail
Cedar Rapids	IA	222	5,462	260	164	Local Market
Monroe	LA	39	5,084	244	164	Manufacturing
Flagstaff	AZ	354	6,037	399	161	
Bryan	TX	318	2,996	165	158	Business Services, Distributive, Extractive, Local Market
Bloomington	IN	146	4,927	228	154	
Bowling Green	KY	54	4,273	189	152	
Wilmington	NC	15	6,805	400	150	Distributive, Local Market
Paducah	KY	254	3,463	187	147	Local Market
Jackson	TN	49	6,004	293	144	Distributive
Fergus Falls	MN	269	3,981	181	142	Distributive, Manufacturing
Sheboygan	WI	224	3,717	163	141	Distributive, Local Market, Manufacturing
Eau Claire	WI	228	6,208	267	140	Retail
Kennewick	WA	391	5,611	316	137	Local Market
Fort Smith	AR	301	5,737	301	135	Distributive, Extractive
Pocatello	ID	363	5,949	280	133	
Longview	TX	334	5,820	268	132	Extractive, Manufacturing
Rocky Mount	NC	16	4,303	196	131	
Mankato	MN	213	5,430	236	129	Business Services, Distributive, Manufacturing
Abilene	TX	325	4,967	206	128	Extractive
Fayetteville	AR	303	5,517	382	128	

LMAs with populations of 150,000 – 300,000, continued.

LMA - Name		LMA No.	Total No. Comps. 1991	No. High-Growth Comps.	GCI Index	Strongest Business Sectors
Grand Junction	CO	352	4,319	259	125	Local Market
Bend	OR	392	4,608	259	124	Local Market
Lufkin	TX	322	4,643	238	123	Manufacturing
Fort Knox	KY	130	2,525	117	122	Retail
Paris	TX	332	3,038	145	122	Local Market
Parkersburg	WV	153	4,017	182	121	
Findlay	OH	133	4,938	216	120	Manufacturing, Retail
Hot Springs	AR	340	5,400	235	120	Manufacturing
Joplin	MO	299	6,397	267	119	Manufacturing
Garden City	KS	310	4,423	182	118	Distributive, Extractive, Retail
Iowa City	IA	221	3,958	162	118	Extractive, Local Market, Retail
Valdosta	GA	85	5,619	232	118	
Sioux City	IA	280	4,801	188	117	Distributive
Bozeman	MT	344	5,696	297	113	Extractive
Traverse City	MI	123	6,119	311	113	Local Market
Santa Fe	NM	348	6,801	332	112	Local Market
Jasper	AL	106	2,690	123	111	Distributive, Manufacturing, Retail
Sioux Falls	SD	265	7,028	326	111	Distributive
Texarkana	TX	335	4,231	196	111	Distributive
Beckley	WV	168	4,441	200	110	Distributive, Extractive
Houghton	MI	210	4,868	217	110	Manufacturing, Retail
Jonesboro	AR	259	3,542	158	110	
Sherman	TX	339	4,110	173	109	Extractive, Manufacturing
Dubuque	IA	232	3,906	146	108	Distributive, Manufacturing
Gainesville	GA	94	4,103	233	106	Distributive
Cookeville	TN	63	2,869	149	104	Manufacturing, Retail
Medford	OR	368	5,253	276	104	Extractive, Manufacturing, Retail
Morristown	TN	2	3,853	194	103	Manufacturing, Retail
Brunswick	GA	86	4,161	201	102	Retail
Grand Forks	ND	267	6,372	290	101	Distributive
Cape Girardeau	MO	257	5,673	250	100	Distributive

LMAs with populations of 150,000 – 300,000, continued.

LMA - Name		LMA No.	Total No. Comps. 1991	No. High-Growth Comps.	GCI Index	Strongest Business Sectors
Dothan	AL	103	5,316	227	100	Distributive
Gadsden	AL	61	5,048	223	100	Manufacturing
State College	PA	161	6,121	256	99	Extractive
Richmond	KY	44	3,559	137	98	Distributive, Extractive, Manufacturing
Vicksburg	MS	32	3,241	125	98	Extractive, Retail
Waterloo	IA	220	5,787	222	97	Manufacturing
Bartlesville	OK	294	5,383	189	96	Distributive, Extractive, Manufacturing
Rochester	MN	217	5,954	197	95	Retail
Albany	GA	102	3,239	144	91	Distributive
Lima	OH	134	5,312	238	91	Local Market
Alexandria	LA	36	3,238	140	90	Local Market
Hazard	KY	45	2,413	100	89	Distributive, Extractive
Pikeville	KY	170	3,686	148	88	Business Services, Distributive, Extractive
Portsmouth	OH	157	3,431	133	87	
Dublin	GA	90	4,311	151	85	Distributive, Extractive, Manufacturing, Retail
Fort Dodge	IA	274	4,166	133	84	Distributive, Manufacturing
Missoula	MT	345	6,520	327	83	Business Services
Billings	MT	343	8,271	386	82	Distributive, Extractive, Local Market
Pine Bluff	AR	41	5,430	250	82	Manufacturing
Alpena	MI	124	4,002	179	81	Extractive, Retail
Burlington	VT	202	8,711	393	81	Business Services, Distributive
Athens	GA	93	4,952	213	80	Manufacturing
Owensboro	KY	132	3,380	146	80	Retail
Yuma AZ	CA	381	3,919	169	80	Business Services, Extractive, Retail
Kokomo	IN	139	3,585	149	79	
Morganton	NC	10	4,158	164	78	Extractive, Manufacturing, Retail
Rock Springs	WY	364	3,956	162	78	Extractive, Local Market

LMAs with populations of 150,000 – 300,000, continued.

LMA - Name		LMA No.	Total No. Comps. 1991	No. High-Growth Comps.	GCI Index	Strongest Business Sectors
Marquette	MI	114	6,424	247	77	Retail
Hutchinson	KS	290	6,702	212	74	Distributive, Extractive, Local Market
Sunbury	PA	187	3,509	99	73	
Gainesville	FL	79	5,413	256	71	Business Services, Extractive, Retail
Big Rapids	MI	120	3,200	141	70	Manufacturing
Yakima	WA	390	4,625	208	70	Local Market
Ocala	FL	78	6,079	259	69	Local Market, Retail
Pueblo	CO	285	4,290	185	69	
Altamont	OR	365	3,426	145	68	Extractive
Jackson	MI	115	5,330	223	68	Manufacturing
La Crosse	WI	229	4,513	191	68	Distributive
Goldsboro	NC	18	3,495	143	67	Retail
Lake Jackson	TX	319	4,578	184	67	Distributive, Extractive, Local Market
Greenwood	MS	47	3,914	145	65	Distributive
Terre Haute	IN	144	4,805	177	64	Distributive, Retail
Victoria	TX	311	4,855	167	64	Distributive, Extractive, Local Market
Wichita Falls	TX	326	4,654	168	64	Extractive, Local Market
Kearney	NE	286	5,032	144	62	Distributive, Extractive
Longview	WA	387	5,025	228	60	Extractive, Manufacturing
Rapid City	SD	276	4,189	185	59	Extractive, Manufacturing
Roseburg	OR	369	4,755	211	59	Extractive, Manufacturing
San Angelo	TX	323	4,950	199	56	Extractive
Staunton	VA	173	3,825	141	55	Local Market
West Plains	MO	251	5,868	255	47	Retail
Columbus	MS	105	3,544	147	46	Distributive
Bloomington	IL	234	3,974	158	44	Business Services
Florence	AL	62	4,133	165	44	Manufacturing
Olean	NY	182	4,677	177	44	Manufacturing, Retail
Sumter	SC	80	3,185	118	43	Manufacturing
Kirksville	MO	261	4,859	169	41	Manufacturing
Redding	CA	366	4,934	203	36	Local Market

LMAs with populations of 150,000 – 300,000, continued.

LMA - Name		LMA No.	Total No. Comps. 1991	No. High-Growth Comps.	GCI Index	Strongest Business Sectors
Charleston	IL	233	4,133	165	**35**	Business Services
Bellingham	WA	393	6,509	255	**34**	Manufacturing
Charlottesville	VA	176	5,277	206	**34**	Business Services
Lawton	OK	336	4,114	159	**34**	Extractive, Retail
Cheyenne	WY	277	4,822	179	**33**	Local Market
Greenville	MS	48	2,626	74	**27**	Distributive
Lynchburg	VA	23	4,455	177	**25**	Business Services, Retail
Zanesville	OH	154	3,302	132	**25**	Extractive, Local Market, Retail
Laredo	TX	315	3,506	136	**24**	Distributive, Extractive
Great Falls	MT	342	4,034	150	**23**	Distributive, Extractive, Local Market
Wheeling WV	OH	156	4,058	150	**23**	Business Services
Oneonta	NY	178	3,281	97	**19**	Business Services, Retail
Williamsport	PA	189	4,486	162	**12**	Manufacturing
Mason City	IA	218	3,883	136	**11**	Distributive
Cumberland	MD	175	5,616	185	**10**	Distributive
Watertown	NY	183	4,342	141	**5**	Local Market, Retail
Yankton	SD	270	5,568	178	**4**	Distributive, Local Market
Plattsburgh	NY	184	3,603	105	**3**	Distributive
Average			**4,619**	**204**	**94**	

LMAs with populations of 100,000 – 150,000

LMA - Name		LMA No.	Total No. Comps. 1991	No. High-Growth Comps.	GCI Index	Strongest Business Sectors
Farmington	NM	353	3,157	231	**198**	Extractive
Logan	UT	362	1,857	109	**195**	Local Market
Twin Falls	ID	357	3,631	189	**178**	Distributive, Extractive, Local Market
Muskogee	OK	302	2,329	117	**177**	Retail
Monett	MO	298	2,442	139	**170**	Local Market
Panama City	FL	100	3,719	194	**167**	Local Market
Mount Pleasant	MI	118	2,232	110	**165**	Retail
Campbellsville	KY	46	3,265	151	**163**	Extractive, Manufacturing, Retail
Harrisonburg	VA	172	3,361	157	**163**	
Hattiesburg	MS	29	2,666	134	**144**	Business Services, Local Market
Pullman	WA	384	3,468	150	**140**	Business Services, Extracting, Manufacturing
Greensburg	IN	128	2,147	98	**132**	Retail
Ottumwa	IA	223	3,125	131	**128**	Distributive, Extractive, Manufacturing
Wabash	IN	138	2,668	111	**128**	Manufacturing
Laramie	WY	287	5,898	380	**127**	Business Services, Local Market
Talladega	AL	95	2,070	94	**121**	Manufacturing, Retail
Corinth	MS	51	2,216	96	**120**	Distributive, Retail
Bismarck	ND	262	3,281	137	**119**	Business Services, Local Market
Lake City	FL	77	2,226	91	**118**	Business Services, Manufacturing
Ardmore	OK	337	2,385	93	**117**	Business Services, Distributive, Extractive
Henderson	KY	252	3,016	116	**117**	Extractive, Manufacturing
Columbus	IN	143	3,014	167	**114**	Manufacturing
Brownwood	TX	327	2,276	101	**110**	Extractive, Retail
Auburn	AL	98	1,775	74	**109**	Local Markets
Keene	NH	207	3,204	113	**106**	Business Services, Manufacturing, Retail

LMAs with populations of 100,000 – 150,000, continued.

LMA - Name		LMA No.	Total No. Comps. 1991	No. High-Growth Comps.	GCI Index	Strongest Business Sectors
Paris	TN	58	2,275	121	**104**	Manufacturing
Hibbing	MN	216	2,807	133	**102**	Manufacturing
Laurel	MS	28	1,938	91	**102**	
Norfolk	NE	278	2,986	104	**96**	Distributive
Big Spring	TX	324	2,223	72	**95**	Extractive
Enid	OK	305	3,336	99	**95**	Distributive, Extractive
Vincennes	IN	148	2,588	81	**95**	Distributive, Extractive
McComb	MS	31	2,532	103	**89**	Manufacturing, Retail
Hutchinson	MN	212	2,377	87	**86**	Distributive, Manufacturing
Galesburg	IL	237	2,861	89	**84**	Business Services, Retail
Washington	NC	21	2,918	125	**80**	Retail
Casper	WY	346	4,109	153	**76**	Business Services, Extractive
Salina	KS	291	2,992	87	**73**	Business Services, Distributive, Local Market
Moses Lake	WA	385	3,636	171	**71**	
Minot	ND	263	3,320	141	**68**	Distributive, Local Market
Willmar	MN	271	3,441	135	**66**	Distributive, Manufacturing
Farmington	MO	246	2,320	89	**65**	Extractive, Manufacturing
Tullahoma	TN	57	2,101	80	**65**	Manufacturing
Quincy	IL	250	3,328	122	**64**	Manufacturing, Retail
Roswell	NM	307	2,469	90	**64**	Extractive, Local Market
Mount Vernon	IL	255	3,079	113	**64**	Extractive
Columbia	TN	55	2,429	103	**58**	Business Services, Manufacturing
Rice Lake	WI	211	3,247	134	**57**	Distributive, Manufacturing
FortLeonardWo od	MO	245	1,919	68	**54**	Extractive, Manufacturing
Blytheville	AR	258	1,905	54	**51**	Distributive, Local Market
Eureka	CA	367	3,433	144	**46**	Business Services
Athens	OH	158	2,110	86	**45**	Retail

LMAs with populations of 100,000 – 150,000, continued.

LMA - Name		LMA No.	Total No. Comps. 1991	No. High-Growth Comps.	GCI Index	Strongest Business Sectors
Fairmont	MN	273	3,134	112	42	Distributive
Marshalltown	IA	219	2,360	77	39	Manufacturing
Union City	KY	253	2,031	84	36	Manufacturing
Russellville	AR	300	2,133	86	35	Local Market, Manufacturing
Thomasville	GA	101	2,122	86	35	
Monroe	WI	230	2,497	98	34	Distributive, Manufacturing
Searcy	AR	43	2,553	101	34	Distributive, Extractive, Manufacturing
Meridian	MS	104	2,886	104	32	Distributive
North Platte	NE	283	3,107	95	28	Retail
Burlington	IA	236	3,208	124	24	Distributive
Kankakee	IL	242	2,518	87	22	Local Market
Sioux Center	IA	272	3,157	116	22	Distributive
Grand Island	NE	279	3,927	124	20	Distributive
Roanoke Rapids	NC	26	2,550	62	17	Local Market, Manufacturing
West Memphis	AR	53	2,287	84	13	Distributive, Extractive, Local Market
North Wilkesboro	NC	6	2,456	89	12	Extractive, Manufacturing
Steubenville	OH	155	2,464	85	11	Distributive, Local Market
Richmond	IN	126	2,127	69	10	Local Market, Manufacturing
Griffin	GA	92	1,955	62	9	Extractive, Retail
Aberdeen	SD	266	2,939	82	7	Distributive
Dickinson	ND	264	4,112	133	5	Business Services, Extractive
South Boston	VA	22	2,799	84	3	Distributive, Manufacturing, Retail
Amsterdam	NY	185	2,174	53	1	Distributive, Local Market, Manufacturing
Hilo	HI	356	3,226	74	0	Local Market
Average			2,774	74	79	

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