APRIL 2004

Economic Forces That Shape Montgomery County

RESEARCH & TECHNOLOGY CENTER
MONTGOMERY COUNTY DEPARTMENT OF PARK & PLANNING
THE MARYLAND-NATIONAL CAPITAL PARK & PLANNING COMMISSION

Economic Forces That Shape Montgomery County

Annual Update 2004

April 2004

Produced by

Research & Technology Center
Montgomery County Department of Park and Planning
Maryland-National Capital Park and Planning Commission

with

RESI Research & Consulting
Towson University

THE MARYLAND-NATIONAL CAPITAL PARK & PLANNING COMMISSION

The Maryland-National Capital Park & Planning Commission is a bi-county agency created by the General Assembly of Maryland in 1927. The Commission's geographic authority covers most of Montgomery and Prince George's counties. The Commission's planning jurisdiction, the Maryland-Washington Regional District, comprises 1,001 square miles; its parks jurisdiction, the Metropolitan District, comprises 919 square miles.

The Commission has three major functions:

(1) The preparation, adoption, and, from time to time, amendment or extension of The General Plan (On Wedges and Corridors) for the Physical Development of the Maryland-Washington Regional District Within Montgomery and Prince George's Counties.

(2) The acquisition, development, operation and maintenance of a public park system.

(3) In Prince George's County only, the operation of the entire County public recreation program.

The Commission operates in each county through a Planning Board appointed by and responsible to the county government. The Planning Boards are responsible for preparation of all local master plans, recommendations on zoning amendments, administration of subdivision regulations, and general administrations of parks.

ELECTED AND APPOINTED OFFICIALS

County Council

Steve Silverman, President
Ton Perez, Vice President

Phil Andrews
Howard Denis
Nancy Floreen
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The Maryland-National Capital Park & Planning Commission

Elizabeth M. Hewlett, Chairman
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Abstract

Title:	Economic Forces That Shape Montgomery County: Annual Update 2004
Author:	Montgomery County Department of Park and Planning Maryland - National Capital Park and Planning Commission
Subject:	Economic Indicators of the Health of Montgomery County's Economy, Focusing On Job Growth, Federal Impact, Commercial Space Activity, and the Housing Market
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Date:	April 2004
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Abstract:	E*conomic Forces That Shape Montgomery County* is an annual report started in the mid-1990s when there was concern about Montgomery County's slow recovery from the 1991 recession. The report includes information not available elsewhere, especially: trends in high-technology employment sectors; trends in federal government activity as an employer, as a landlord and tenant, and as a purchaser of goods and services; trends in the commercial space market; and trends in the housing market.

Economic Forces That Shape Montgomery County
Annual Update 2004

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About *Economic Forces That Shape Montgomery County*

Economic Forces That Shape Montgomery County is an annual report started in the mid-1990s when there was concern about Montgomery County's slow recovery from the 1991 recession. The first report found slow growth but very healthy fundamentals. Since then, each subsequent report has found somewhat more rapid growth, whereupon last year we were able to conclude that the economy very healthy, growing at a rapid but manageable pace.

The *Economic Forces* studies seek to support the Montgomery County Council's economic analysis needs, particularly during preparation of the budget and when evaluating economic development initiatives or regulatory proposals. To accomplish this, the Research & Technology Center has worked with County government agencies to identify economic trends and for suggestions on how to improve the usefulness of the report. Such collaboration helps eliminate duplication of effort while helping to assure that even though opinions may differ, the information underlying those opinions is consistent and valid.

A major value of each *Economic Forces* update is that a review of the trends indicates issues that deserve more in-depth study. In the past, such studies have included a study of Class B & C office space, a commercial sites characteristics inventory, in-depth reports on at Montgomery County's information technology and biotechnology industries, and housing market studies. Other recent projects include an update to a 1993 analysis of retail space and an update of our inventory of land available for non-residential construction.

This year, a special focus of the *Economic Forces* report is a review of the economic impact of associations on the Montgomery County economy. This analysis was performed at the suggestion of the Montgomery County Department of Economic Development and the Association Council of Montgomery County.

Developing the in-house expertise required to complete the *Economic Forces* update has strengthened the Research & Technology Center's ability to support master plan development and to respond quickly and thoroughly when policy questions arise, such as debates on the Annual Growth Policy, affordable housing, elderly housing, and other issues.

Review of Economic Indicators

Each annual update of *Economic Forces That Shape Montgomery County* contains four core areas that updated each year:

- **Job Growth:** This section consists of a review of statistics on jobs created or lost by each industry in Montgomery County, compared to the state and the nation, with special emphasis on the County's technology sectors. This section relies on ES-202 data compiled by each state and reported to the U.S. Bureau of Labor Statistics. These data are tabulated by RESI at Towson University for the Research & Technology Center staff in a format that RESI originally developed to for their own analyses of state and regional economies. This year, we also relied on adjustments by the Montgomery County Department of Finance to address reporting anomalies in the local government employment figures.

- **Federal Impact:** By far the largest single influence on Montgomery County's economy is the Federal government: as an employer, as a landowner, as a tenant, and as a purchaser of goods and services. Each year, Research & Technology Center staff survey each Federal installation in the County about current and expected employment changes, construction plans, and space leasing activities. Typically, Research staff also analyze federal purchasing and contracting activity – however, the Federal Procurement Data Center has not yet released these data for FY 2003. Staff will provide the Planning Board and County Council will an analysis of federal procurement trends when the data are available.

- **Commercial Space Activity:** The relationship of economic trends to the pace and character of development is of particular interest to officials and staff making land use decisions. One of the major questions addressed by the first *Economic Forces That Shape Montgomery County* report focused on understanding the collapse of the commercial space market that occurred during the 1990-91 recession. Subsequent reports have focused on tracking and understanding the market's recovery as well as looking for signs of pending weakness.

- **The Housing Market:** Each year, *Economic Forces* includes a report on the County's housing market from the perspective of County residents – those who are, or intend to be, homeowners or tenants in the County. Housing continues to be one of the strongest aspects of the economy and housing issues are the focus of considerable public attention at this time.

Job Growth

Montgomery County added 1,921 jobs between the second quarter of 2002 and the second quarter of 2003, an increase of 0.4%. The year before, the number of jobs grew by 2,159 so that job growth has continued at a modest pace over the two-year period ending in the second quarter of 2003.

Although the *Economic Forces* report focuses on second quarter data, the state has recently released third quarter 2003 job statistics that show Montgomery County job growth continuing to slow in the third quarter. Regional data suggest that the entire job growth may have been accelerating as the year reached its conclusion.

Between the second quarters of 2002 and 2003, private sector jobs grew by 1,394, or 0.4%. The sectors that performed best included finance and insurance (up 1,548 jobs); administrative support (up 1,411 jobs); and health care and social assistance (up 1,214 jobs). Sectors with the largest losses include professional, scientific, and technical services (down 1,482 jobs); manufacturing (down 1,278 jobs); and information (down 798 jobs).

Public sector jobs increased by approximately 947 jobs, or 1.2 percent. Of these, 502 additional jobs are Federal and state government jobs and 445 are local government. Local government job figures have been adjusted by the Montgomery County Department of Finance to account for reporting anomalies.

About the Data

The job growth statistics reviewed in this report are from the State Department of Labor, Licensing and Regulation and the data series is known as the "ES-202 series." The data is collected from firms submitting information for unemployment insurance purposes. Therefore, jobs that are not covered by unemployment insurance are not included in this jobs series. These include sole proprietorships, farm workers, some domestic workers, and unpaid family workers. Certain non-profit employers, such as churches, may not be counted. Some students and spouses of students in the employ of schools, colleges, and universities are also excluded. Although there are these gaps, this is a standard data series for measuring job growth and, because the data are reported for every county in the nation, the series allows us to compare Montgomery County trends with those of the state and nation.

Several years ago, federal and state agencies changed their approach for classifying jobs by industry. With this edition of "Economic Forces," we have completed our transition to using the current approach, called the North American Industrial Classification System (NAICS). Because the industry definitions have changed, the number of jobs in each industry has also changed. For this reason, many of the job totals by industry in this report will be different than those reported in previous editions.

The High Tech Sectors: No Longer Outperforming the Economy

Last year we reported that Montgomery County's high tech sectors were no longer outperforming the rest of the economy. This continues to be the case. High tech jobs fell by 9.2 percent between the second quarters of 2002 and 2003, or about 4,700 jobs. During the previous one-year period, high tech jobs fell by 6.9 percent.

Private sector high tech jobs are about 13 percent of the County's economy. That does not include the many *public sector* high tech jobs in Montgomery County, including those at federal installations such as the National Institutes of Health, the National Institute for Standards and Technology, and the Department of Energy.

Montgomery County's 9.2 percent decline in high tech jobs is somewhat greater than the state's 6.9 percent decline but less than the national decline of 4.6 percent.

Aerospace was the hardest hit of the technology sectors in Montgomery County. Aerospace jobs in Montgomery County fell by 17 percent, or 3,000 jobs. This compares to a decline of 5.1 percent for the state and a decline of 4.1 percent for the United States. Virtually all of the state's aerospace job loss was in Montgomery County.

Biotechnology continues to be the one bright spot among County tech sectors, growing by 5 percent between the second quarters of 2002 and 2003. This is about the same as the 4.8 percent growth for biotechnology jobs in the state. Nationally, biotechnology jobs grew by just 0.8 percent.

Montgomery County's information technology and telecommunications industry has performed about the same as the state and the nation. Unfortunately in recent years, this has meant a decline in jobs. For the year ending in the second quarter 2003, "infocom" jobs in the County are down by 3 percent.

High tech manufacturing in Montgomery County consists of companies manufacturing industrial machinery, electronic equipment, transportation equipment, and instruments and measuring devices. The sector is relatively small (8,700 jobs) and somewhat volatile. Between the second quarters of 2002 and 2003, Montgomery County's high tech manufacturing sector lost 1,100 jobs (11 percent), compared to a 9 percent decline in the state and a 5 percent decline for the nation.

Other Major Sectors

"Business services" is a major component of the County's economy, comprising over 94,000 jobs. Business services jobs in the County and in the state have been holding steady since the end of 2000, although they have declined nationally in 2001.

Engineering and management services is a sector that includes engineers, architects, accountants and management consultants. Engineering and management services jobs fell by 7.4 percent in Montgomery County between the second quarters of 2002 and 2003, compared to a 1.7 percent decline the previous year. The accelerating decline in employment is faster in the County than in the state and nation, where job losses in this industry were under 1 percent. There are now 21,900 engineering and management services jobs in Montgomery County.

The highest-paying sectors (employing more than 500 people) in Montgomery County are: chemical manufacturing (average wage: $91,400), security and commodity brokers (average wage: $87,750), computer and electronic product manufacturing (average wage: $83,700), broadcasting (average wage: $75,650), utilities (average wage: $45,100), and wholesale durable goods (average wage: $73,300). The largest sector with an average wage in excess of $60,000 per year is the "professional, scientific, and technical services" sector with an average wage of 64,000 and 62,000 jobs. Of the major private sectors, the "food services and drinking places" sector pays the lowest average wages, about $16,000 per year.

The average salary paid by a Montgomery County job in the second quarter of 2003 was $47,700 per year, an increase of 2.5 percent over the previous year. The average private sector job pays about $44,100 while the average public sector job pays $64,200. The comparatively higher salaries paid by the public sector are due to federal government salaries, which average $78,500.

Federal Impact

The federal government plays three very important roles in Montgomery County's economy: it is an employer, it is a tenant and landowner, and it is a purchaser of goods and services.

During fiscal year 2002, the federal government pumped $11.6 billion dollars into the County's economy in the form of federal expenditures, 24 percent of all the federal expenditures in Maryland. The federal government spent $4.7 billon to purchase goods and services, paid $3.3 billion in wages and salaries to County workers, and paid County residents $2.7 billion in direct payments to individuals for retirement and other benefit programs.

Federally Leased Space

Federally leased space has remained relatively unchanged since December 1999. The General Services Administration (GSA) leases 6.9 million square feet of space in Montgomery County. GSA leases about 11 percent of the County's existing rental office space and pays an annual rent totaling $147 million, an increase of $12 million over the previous year.

Over half of GSA's inventory, 67 percent or 4.6 million square feet, is occupied by the Department of Health and Human Services. The Department of Commerce is the only other agency occupying more than 1 million square feet of GSA leased space, its 1.1 million square feet is 17 percent of GSA's inventory in the County.

Over half of GSA's leased space is in the Rockville area, which includes most of North Bethesda. GSA leases 3.7 million square feet of space in the Rockville area, 55 percent of their County inventory. Two other areas have over 1 million square feet of GSA leased space: Silver Spring has 1.2 million square feet (18 percent) and Bethesda has 1 million square feet (15 percent).

About 30 percent of GSA's leased space, 2.1 million square feet, is up for renewal in the next 2 years (2004-2005). Health and Human Services occupies about 80 percent of this space, mainly in the Rockville area. FDA is the tenant is 625,000 square feet of this space. Since FDA expects to have about 3,000 employees at its White Oak site in 2005, some of these leases may not be renewed unless GSA has other agencies in need of space.

In general, however, history indicates that GSA typically renews most of these leases. GSA renewed all the 11 leases up for renewal in 2002. GSA would like to renew most leases because moving means relocation costs. The main reasons for not renewing leases are: consolidating into government owned space, not needing the space due to changes in work programs or employment levels, and buildings becoming too old and outdated.

Survey of Agencies

Collectively, the thirteen agencies and installations surveyed estimate they have about 63,000 workers in 2004, an increase of about 2 percent or 1,500 workers compared to 2003. The increase in workers is almost evenly split between owned and leased facilities. Almost all of the increase is in the National Institutes of Health workers in leased space. The Nuclear Regulatory Commission and the Naval Surface Warfare Center at Carderock reported modest gains. The U.S. Army Adelphi Laboratory Center, Department of Energy, National Oceanic and Atmospheric Administration (NOAA), and the National Institutes of Standards and Technology (NIST) reported slight declines.

Collectively, the agencies anticipate job levels increasing by about 6 percent (3,700 jobs) in the year reaching a total of about 66,700 workers in 2005. They anticipate job increases of 10 percent between 2005 and 2015 when workers at these agencies will number about 73,700.

Given the federal policy of shifting workers from leased space to owned space, workers at federally owned space are expected to increase by about 15,100 between 2003 and 2015. The main shift from leased to owned space is the Food and Drug Administration's consolidation at their facility in White Oak and the anticipated purchase by the federal government of the NOAA buildings in Silver Spring. Even with these major shifts from leased to owned space, the federal government expects to remain a major tenant in the County's office market. In 2015, the agencies project 21,900 workers in leased space, 4,400 fewer than 2004 but similar to the 1999-2001 period. NIH anticipates adding about 4,100 workers in leased space between 2003 and 2015.

Commercial Space Market

Last year at this time we said that the office market was about ready to emerge from a short, mild recession. That prediction was overly optimistic. Over the past year, vacancy rates have edged higher and absorption of new space has slowed. This is consistent with what we now know about job growth in the County and the region during 2003. In addition, vacant office space in Montgomery County must compete with the 13.4 million square feet of vacant office space in Northern Virginia and 4.3 million square feet of vacant office space in the District of Columbia.

In the past year, the amount of occupied Class A office space in Montgomery County increased by 3 percent to 28.2 million square feet. However, the total amount of Class A office space increased by almost 4 percent. This means that the amount of vacant space also increased: from 4.0 million to 4.5 million square feet.

Class A office rents in Montgomery County have been much less volatile than some other markets in the region. This is particularly true when comparing Montgomery County to Fairfax County, where average rents exceeded those in Montgomery County as recently as 2001 but are now lower. Fairfax County average Class A office space rents have declined from a high of $33 to a current average of $25. Montgomery County's average rents for Class A office space, now at $29, peaked at $30 a few years ago.

There are two types of vacant space: direct and sublet. Direct vacant space is available directly from the landlord. Sublet space is available from a tenant in a building that finds that they do not need some or all of the space they have rented. Over time, increases in sublet space can be an early signal of recession while decreases in sublet space can signal recovery. However, some fluctuation is simply due to the individual tenant circumstances.

The amount of Class A office space available for sublet in the first quarter of 2004 has declined by almost 200,000 square feet from the first quarter of 2003. The amount of vacant sublet Class A office space is now 991,000 square feet.

Vacancy rates for Montgomery County's Class B office space also increased over the past year from 9.1 percent to 9.8 percent. However, the market for Class C space tightened considerably as the Class C office space vacancy rate dropped to 7.1 percent. 2004 is the first year that Class C office space had a healthier vacancy rate than Class A or Class B office space.

There is about 1 million square feet of office space under construction now in Montgomery County for completion in 2004. There is another 1.7 million square feet proposed for completion in 2005.

Finally, the flex and industrial space markets are solid. Even though vacancy rates have rebounded somewhat (from 9.4 percent in 2001 to 7.8 percent in 2003 to 9.2 percent in 2004), rents are increasing slightly, showing strength in the market.

Housing Market

The pace of the housing market in Montgomery County continues to accelerate. Record low interest rates and the lack of competition from the stick market as an investment have helped push housing sales to new heights. Low interest rates, however, were not enough to counterbalance the effect of rapidly-rising home prices, so housing affordability suffered during 2003.

The median income household could afford the median priced existing townhouse in 2003, according to the Department of Park and Planning's Affordability Index. However, median prices for new townhouses and for new and existing single-family detached homes were out of reach for most households.

The median price of all single-family housing reached a new high of $315,000 at the end of 2003. The median price of new detached home rose from $475,000 to $563,000 while the price of an existing detached home increased from $320,000 to almost $376,000. The median price of new townhouses climbed sharply from $265,000 to almost $358,000, while the median price of an existing townhouse rose from $177,000 to $223,000.

In spite of rising prices, time on the market before a house is sold continued to be short: 27 days on average. The number of home sales, after declining slightly in 2002, rose to 16,534 units in 2003.

Rental housing vacancies continued to be somewhat more moderate than in the past. Rental vacancy rates held steady at 3.8 percent, which is fairly tight but something of a relief from 2001 when only 1.8 percent of the County's rental housing was vacant. Rents in 2003 continued their upward trend (to an average of $1,111) although at a slower pace than in the past. The past pressure on the rental market has been reduced a bit by a combination of renters moving to home ownership to take advantage of low interest rates and an increase in apartment construction.

In 2003, residential completions remained at the same high level as in 2002. In 2003, builders completed 5,461 units, compared to 5,485 units the previous year. Multi-family led the way with 2,986 units, more than 900 above the previous year. Both townhouse and single-family detached completions fell by about 500 units.

Multi-family units were also popular with developers seeking approval from the County and municipal planning boards. The number of multifamily units approved outpaced single-family approvals four to one in 2003.

Economic Contribution of Associations to Montgomery County

Often the *Economic Forces* report will include a subject area of special focus. This year, the Montgomery County Department of Economic Development and the Association Council of Montgomery County asked us to look at the economic impact of associations.

An association is a formal organization of people or groups of people who have a common interest or pursuit. This is perhaps the most general and broad definition of the term. Associations are also nonprofit entities. The *Washington Business Journal* describes nonprofit organizations as "organizations [that] have chosen to undertake programs that benefit members and the public rather than private individuals."

For tax purposes, Associations fall under the 501c subsection-many are 501c(3) and/or 501c(6) organizations. The 501c(3) includes religious, charitable, scientific, literary and educational organizations; 501c(6) includes chambers of commerce, business leagues, real estate boards, and boards of trade. A tax-exempt status, however, does not mean that nonprofits do not pay any taxes. In fact, according to the American Society of Association Executives (ASAE), 4 percent of a nonprofit's annual budget is allocated for taxes, such as payroll, sales, and property taxes.

Studies by the ASAE, the Greater Washington Society of Association Executives (GWSAE), and the Association Council of Montgomery County (ACMC) have already classified the types of associations and their share of the association universe. According to a 1997 white paper by the GWSAE: there are over 1.3 million tax exempt organizations in the United States; 870,000 are philanthropic organizations and about 400,000 are membership organizations (e.g. trade and professional associations, and labor unions). This study focuses specifically on professional associations and more narrowly on Health/Medical Associations and High-Technology Associations.

There are several sources of information on associations. One is the same source of data that we use for the job growth section of the *Economic Forces* report, the Covered Employment and Wages series, also known as the “ES-202” data series. The ES-202 data series is collected by each state (in Maryland, the agency is the Maryland Department of Labor, Licensing and Regulation) and compiled by the US Bureau of Labor Statistics. These data show the number of jobs, the number of “establishments,” and the wages by industry and are useful for comparing Montgomery County with the region, state, and nation.

A second source of information is the Associations Unlimited Directory, a searchable database of more than 400,000 associations, professional societies and nonprofit organizations worldwide. Information on U.S. national, regional, state and local associations and international organizations is drawn from the Gale Encyclopedia of Associations. It includes contact information, as well as details on membership, publications, conferences and other activities.

The Research & Technology Center also subscribes to a third private-developed database of employers ("ReferenceUSA"). Our review of these data showed similar results as the review of the Associations Unlimited Directory.

Jobs, Establishments and Wages

According to the ES-202 data, Montgomery County had 235 association "establishments" employing 3,349 people with $170,298,000 in wages in 2002. These data are not yet available for the full year of 2003. Over the past 5 years, the number of jobs in Montgomery County associations has increased faster than the region as a whole. In addition, the wages at association jobs in Montgomery County have increased faster than the region as a whole.

Economic Impact

A recent Arthur Anderson study for the Greater Washington Society of Association Executives that showed that each association job generates another 0.85 jobs in the region's economy. Using the IMPLAN software, data provided by the survey completed for ACMC by the consulting firm ARI in January 2001, and other assumptions from our literature review, the Research & Technology Center estimated the economic impact of associations on Montgomery County's economy.

The Research & Technology Center analysis determined that for every $1 million spent by Montgomery County associations, the County's economy increases by an additional $720,000. According to the January 2001 ACMC study, the operating budget profile of Montgomery County associations is:

- 32% have operating budgets under $1 million
- 39% have operating budgets between $1 million and $5 million
- 29% have operating budgets over $5 million

The Research & Technology Center analysis also shows that for every three Montgomery County association jobs, one additional job is created in the County's economy. That means that the 3,349 Montgomery County association jobs generated an additional 1,004 jobs in 2002.

Our analysis estimates that for every $1 increase in the wages of an association employee, the wages in the "additional" jobs increase by 45 cents. This indicates that the 2002 Montgomery County association payroll of $170,298,000 raised wages in other County jobs by $76,600,000.

This estimate of the economic impact of associations does not include some of the harder-to-quantify assets that associations bring to the local economy. Among the most prominent is the value of the intellectual property held by many of these organizations. This may be particularly true in Montgomery County, where associations are oriented toward medical and technological issues.

Another benefit accrues when a sufficient number of associations locate in any one locality so that the locality begins to be perceived as good for associations. It is difficult to determine how many associations are needed for this perception to emerge, or to measure is each association's contribution toward that perception, but the effect can be powerful.

Association Profile

The *Associations Unlimited Directory* (2004) reports that there are 550 "membership organizations" in Montgomery County. Of these 293 are organizations we would classify as "associations" for the purposes of this study. These include: business leagues and boards of trade, professional organizations, labor unions, and political groups. About 58 percent of Montgomery County "Associations" jobs are in professional organizations.

Bethesda is home to almost half of these associations (121) while Silver Spring has 58 associations. Other prime locations for associations in Montgomery County are Rockville (52), Gaithersburg (21), Chevy Chase (15) and Kensington (9).

Associations involved with health and medical issues are the most common in Montgomery County, with just about half (144) of the 293 associations listed in the Association Unlimited Directory. The second-most common are business and trade associations (73), followed by technology-related associations (43).

Economic Forces That Shape Montgomery County

Annual Update 2004

M-NCPPC Research & Technology Center

2004 Conclusions

- National downturn felt in local job market between 2nd quarters of 2002 and 2003.
- Jobs: private sector up slightly, but mostly low- and mid-wage industries.
- Federal impact: leasing & employment outlook still strong
- Commercial market: "short, mild" recession longer than expected.
- Housing market: price increases accelerate as affordability suffers.

M-NCPPC Research & Technology Center

Pluses & Minuses

+ Jobs: economy adds some jobs during depth of recession, second half of 2003 looks better, unemployment rate still low
+ Federal government retains strong role as employer and tenant
+ County still in good position to weather commercial space recession
+ Housing market still extremely strong

M-NCPPC Research & Technology Center

Pluses & Minuses

- For several industries, jobs declined in second quarter. Losses felt disproportionately in technology and other high-wage industries
- Commercial construction: exiting short, mild recession phase; vacancy rates are up
- Housing affordability worsens.

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Notes on the data

- **Federal procurement data:** The Federal Procurement Data Center has not yet released procurement data for FY 2003. They expect to release the information within the month. As soon as it is available, staff will prepare and distribute our annual analysis of Montgomery County's federal procurement trends.
- **Jobs data classification:** Several years ago, federal and state agencies changed their approach for classifying jobs by industry. With this edition of "Economic Forces," we have completed our transition to using the current approach, called the North American Industrial Classification System (NAICS). For this reason, many of the job totals by industry in this report will be different than those reported in previous editions.
- **Jobs data limitations:** Jobs that are not covered by unemployment insurance are not included in this jobs series. These include sole proprietorships, farm workers, some domestic workers, and unpaid family workers. Certain non-profit employers, such as churches, may not be counted. Some students and spouses of students in the employ of schools, colleges, and universities are also excluded.
- **Local government employment:** Problems have been identified with the reporting of local government employment for the period covered by this report. The Montgomery County Department of Finance has made adjustments to the number of local government jobs reported by the state. This report uses the Department of Finance adjusted figures.

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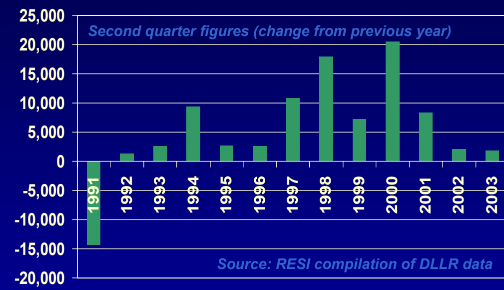
Job Growth Performance

2nd Quarter 2002 to 2nd Quarter 2003

Job growth themes

- The number of jobs increased by 1,921 to 452,169
- Biotech bright spot among tech sectors.
  - Aerospace: *down 17%*
  - Biotechnology: *up 5%*
  - Infotech & telecom (infocom): *down 3%*
  - High tech manufacturing: *down 11%*
- Higher wage industries lost jobs.
- Third quarter preview: jobs up 384 over previous year.

Total jobs grew by about 1,900



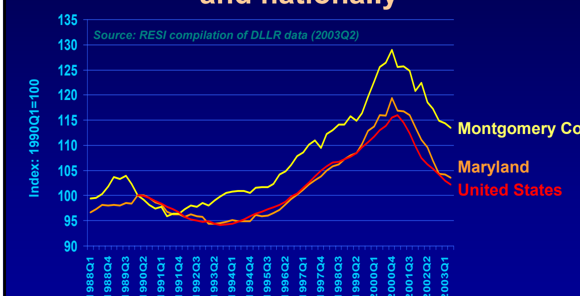
Between the second quarters of 2002 and 2003, Montgomery County added 1,921 jobs, or 0.4 percent.

Financial sector adds most jobs.

	2002	2003	Change
Natural Resources and Mining	488	641	31.6%
Construction	29,220	28,905	-1.1
Manufacturing	17,514	16,236	-7.3
Trade, Transportation and Utilities	65,337	64,523	-1.3
Information	16,063	15,265	-5.0
Finance Activities (incl. Real Estate)	33,304	35,204	5.7
Professional & Business Services	96,015	96,035	0.0
Education & Health Services	52,051	53,672	3.1
Leisure & Hospitality Services	38,015	39,045	3.1
Other Services	21,543	22,012	2.7
Private Sector	370,693	372,087	0.4
Public Sector	79,627	80,325	1.2
Federal & State Government	41,865	42,377	1.2
Local Government	37,270	37,715	1.2

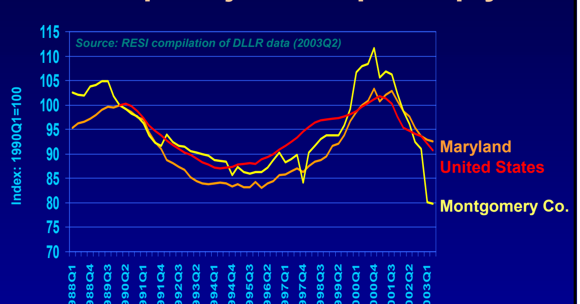
Source: RESI compilation of DLLR data (2003Q2); local government employment data adjusted by Montgomery Co. Department of Finance.

Tech jobs losses continue locally and nationally



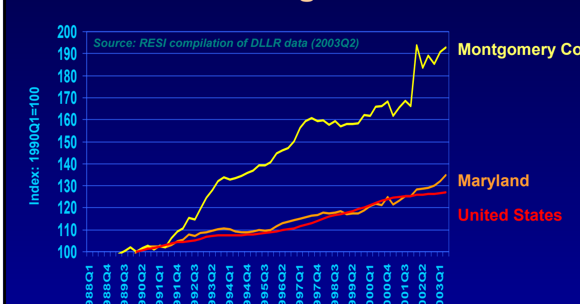
There are 51,000 high tech jobs in Montgomery County.

Aerospace jobs drop sharply



There are 15,000 aerospace industry jobs in Montgomery County.

Biotech grows 5%



There are 8,500 biotech industry jobs in Montgomery County.

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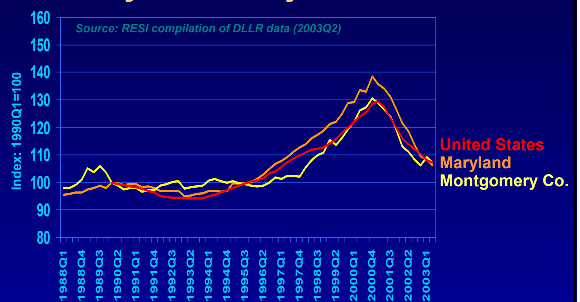
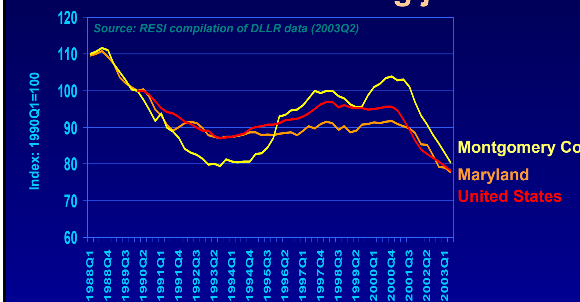
County infocom jobs down 3%



There are 19,500 information technology and telecommunications industry jobs in Montgomery County.

M-NCPPC Research & Technology Center

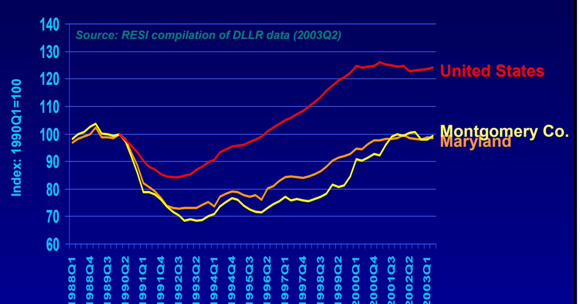
County has 1,100 fewer high tech manufacturing jobs



There are 8,700 high tech manufacturing jobs in Montgomery County.

M-NCPPC Research & Technology Center

Construction jobs hold steady



There are 28,700 construction jobs in Montgomery County.

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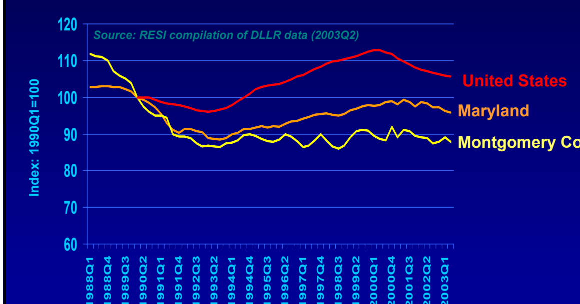
Wholesale trade: slight decline



There are 10,600 wholesale trade jobs in Montgomery County.

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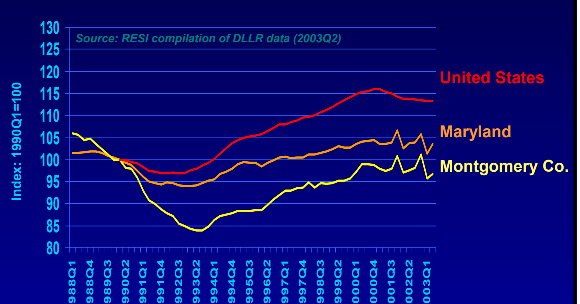
Retail trade drops 1%



There are 49,500 retail trade jobs in Montgomery County.

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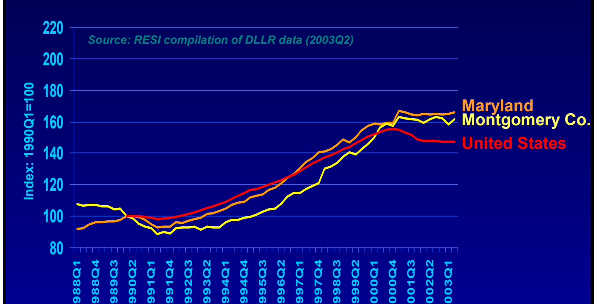
Business services unchanged



There are 94,800 business services jobs in Montgomery County.

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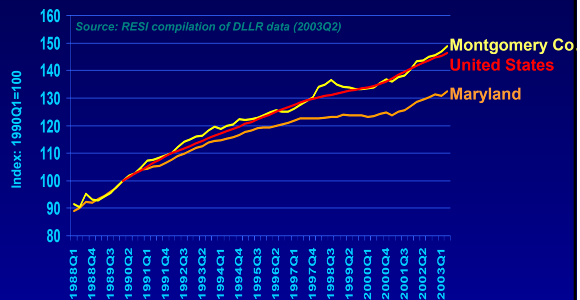
Health services follows US trend



There are 38,500 health services jobs in Montgomery County.

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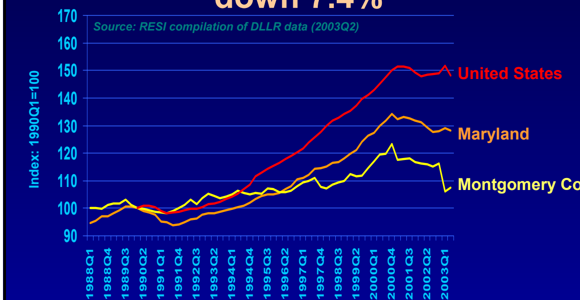
Engineering & management services down 7.4%



There are 21,900 engineering & management services jobs in Montgomery County.

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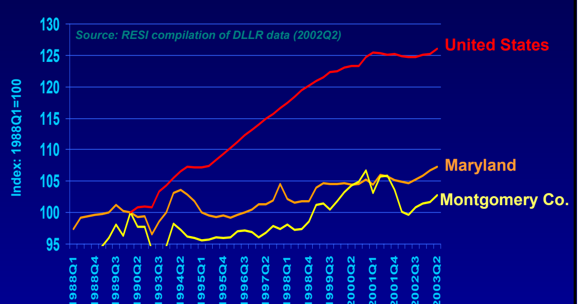
Real estate jobs climb 3%



There are 11,700 real estate jobs in Montgomery County.

M-NCPPC Research & Technology Center

How well do the new jobs pay?

We track job growth by average salary to show how well new jobs are paying:

- High: Industries with jobs that pay an average of $50,000
- Medium: Industries with jobs that pay an average of $30,000 to $49,999
- Low: Industries with jobs that pay an average of less than $30,000

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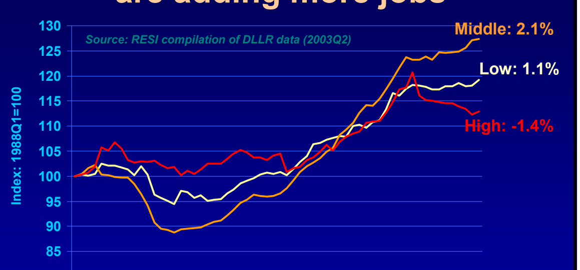
Middle-wage industries are adding more jobs



There are 77,200 jobs in high-wage industries, 195,800 jobs in medium-wage industries, and 133,000 jobs in low-wage industries in Montgomery County.

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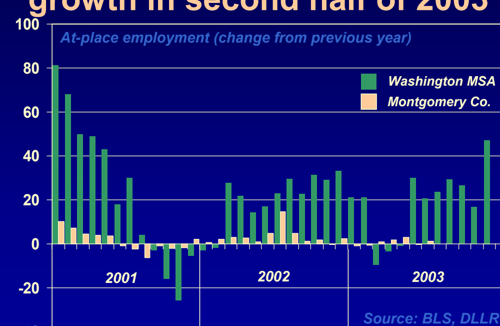
Regional statistics show growth in second half of 2003



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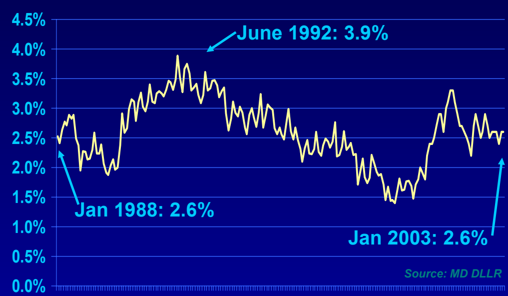
Jobless rate back under 3%



There are 13,000 unemployed persons in Montgomery County.

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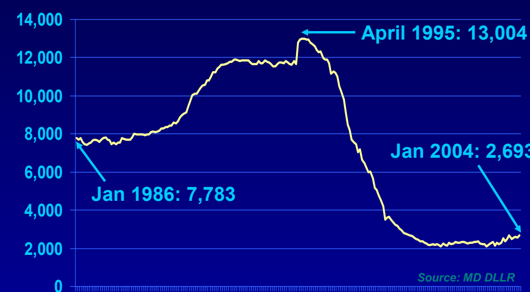
TCA caseload rises slightly



There are 2,693 recipients of temporary cash assistance in Montgomery County.

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Federal Government Role

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The federal government is a major component of Montgomery County's economy

As an employer,
- Almost 60,000 workers are in federal space,
- In FY2002, the federal government paid $3.3 billion in wages to jobs in Montgomery County

As a tenant,
- The General Services Administration leases 6.9 million square feet of commercial space in the County,

As a purchaser of goods and services,
- FY02's federal procurement was $4.7 billion the County's all-time high.

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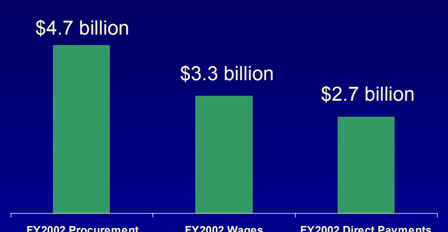
Worth $11.6 billion

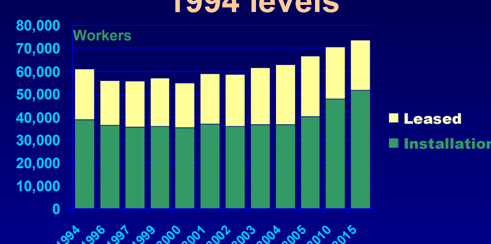
- The federal government pumps billions of dollars into the County's economy.



Source: Consolidated Federal Funds Report

M-NCPPC Research & Technology Center

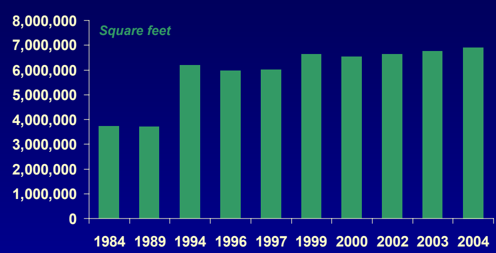
Workers in federally owned or leased space now exceed 1994 levels



Source: M-NCPPC analysis of US government data

By 2015, jobs at installations are expected to grow by 41 percent above current levels. Jobs in leased space are expected to fluctuate between 21,900 and 26,500.

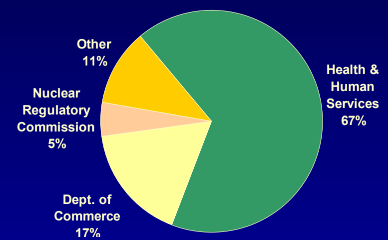
Federal leasing reaches 6.9 million sq. ft.



Source: General Services Administration (GSA)

Since 1994, GSA has leased between 6.0 and 6.9 million square feet of commercial space in Montgomery County

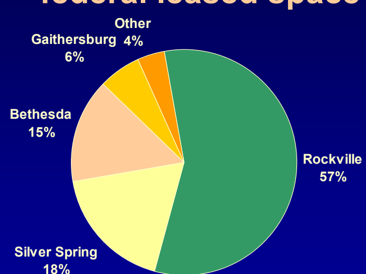
Health & Human Services leases the most space



Source: General Services Administration (GSA)

HHS & Commerce account for 84 percent of the County's federal leased space, 5.7 million sq. ft. out of a total of 6.9 million sq. ft.

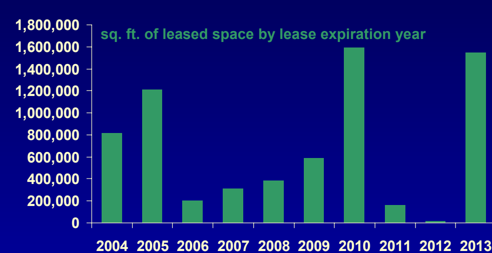
Rockville area home to most federal leased space



Source: General Services Administration (GSA)

GSA leases 3.9 mil. sq. ft. in Rockville (which includes most of North Bethesda), 1.3 mil. sq. ft. in Silver Spring, and 1.1 mil. sq. ft. in Bethesda.

Leases for 2.1 million sq. ft. up for renewal in 2004-2005

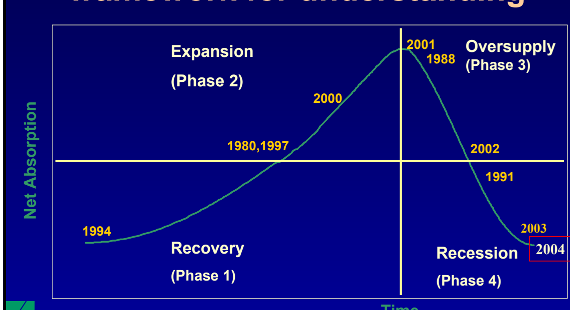


Source: General Services Administration (GSA)

30 percent of GSA's leased space in Montgomery County is renewable in the next 2 years (2004-2005)

Where Is the County's Office Market Headed?

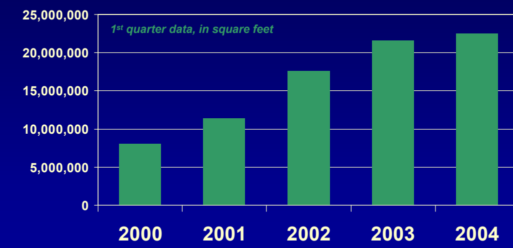
The real estate cycle provides a framework for understanding



The Washington, DC Region Class A Office Market

M-NCPPC Research & Technology Center

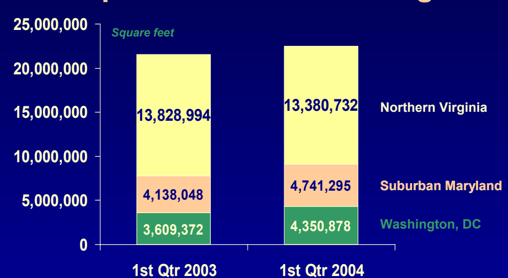
The region's vacant Class A office space climbs



Source: CoStar Group, Property Professional Database, Analytical Search, Historical Trends

M-NCPPC Research & Technology Center

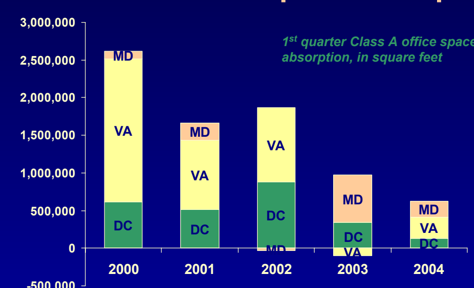
Much of region's vacant Class A office space is in Northern Virginia



Source: CoStar Group, Property Professional Database, Analytical Search, Historical Trends

M-NCPPC Research & Technology Center

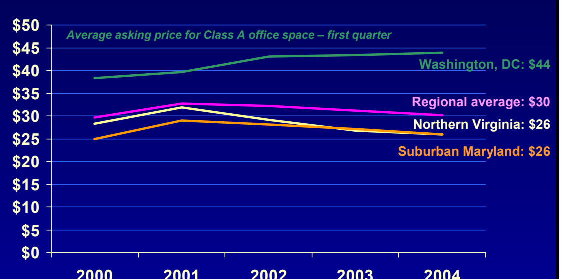
First quarter 2004 exhibits slowing of Class A office space absorption



Source: CoStar Group, Property Professional Database, Analytical Search, Historical Trends

M-NCPPC Research & Technology Center

DC asking rents increases, bucking regional trend



Source: CoStar Group, Property Professional Database, Analytical Search, Historical Trends

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The Montgomery County Office Market

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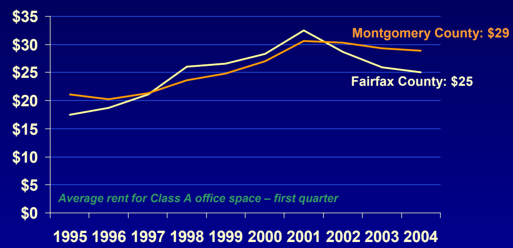
County's Class A office space rents steady compared to Fairfax



Source: CoStar Group, Property Professional Database, Analytical Search, Historical Trends

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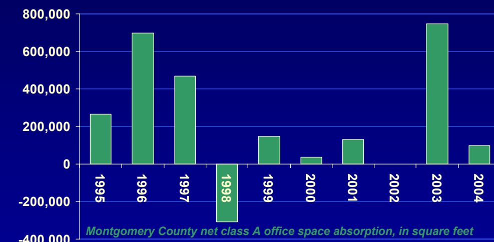
About 100,000 sf of Class A space absorbed in 1st quarter 2004



Source: CoStar Group, Property Professional Database, Analytical Search, Historical Trends

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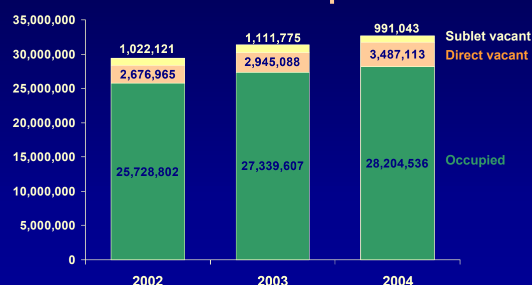
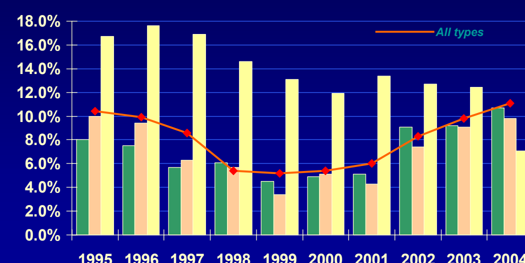
Total Class A space grows, as does vacant & occupied.



Source: CoStar Group, Property Professional Database, Analytical Search, Historical Trends

M-NCPPC Research & Technology Center

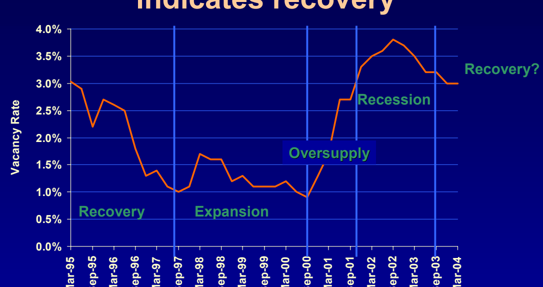
Vacancy rates return to 1995 levels; Class C space has lowest rate



Source: CoStar Group, Property Professional Database, Analytical Search, Historical Trends

M-NCPPC Research & Technology Center

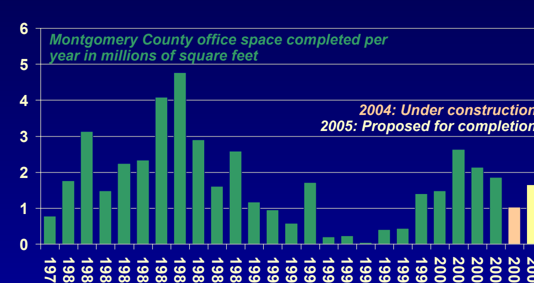
Improving sublet vacancy rates indicates recovery



Source: CoStar Group, Property Professional Database, Analytical Search, Historical Trends

M-NCPPC Research & Technology Center

Just over 1 million square feet under construction now



Source: Completions: M-NCPPC Research & Technology Center; under construction and proposed: CoStar Group, Property Professional Database.

M-NCPPC Research & Technology Center

Discovery leads major Montgomery County Class A Office completions in 2003

Project	Square Ft.	Submarket
Discovery Communications	600,000	Silver Spring
Human Genome Sciences	481,871	Germantown
MedImmune Headquarters	210,000	Gaithersburg
Twinbrook Metro Station	185,516	Rockville
Redland Center	142,500	North Rockville
Metro Executive Park	79,000	North Rockville
Campus @ Holy Cross	65,000	Kensington/Wheaton
Palisades of Bethesda	33,000	Bethesda/Chevy Chase

Source: CoStar Group, Property Professional Database, Property Search

M-NCPPC Research & Technology Center

I-270 sees several office projects under construction in 2004

Development	Square Ft.	Submarket	Expected Delivery
Research Office Park	30,000	I-270 Corridor	March 2004
Wood Glen Park	66,000	Potomac	March 2004
Sandy Spring Phase I	30,000	I-270 Corridor	June 2004
1405 Research Blvd.	75,999	I-270 Corridor	June 2004
Washington Center	151,230	I-270 Corridor	June 2004
Shady Grove Life Sciences	115,691	I-270 Corridor	July 2004
Market Sq. @ Shady Grove	228,020	I-270 Corridor	July 2004
8515 Georgia Avenue	183,000	Silver Spring	August 2004
Chevy Chase Center	151,230	Bethesda/ Chevy Chase	May 2006

Source: CoStar Group, Property Professional Database, Property Search

M-NCPPC Research & Technology Center

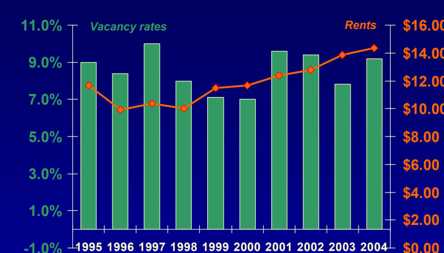
2 major Class A office projects proposed for 2005 in Rock Spring Park

Development	Square Ft.	Submarket
Belward II	54,000	I-270 Corridor
Sandy Spring Plaza Phase 2	125,000	Rockville
Rock Spring Park	217,700	Bethesda/Chevy Chase
Rock Spring Center I	300,000	Bethesda/Chevy Chase
FallsGrove Research Center	350,000	I-270 Corridor

Source: CoStar Group, Property Professional Database, Property Search

M-NCPPC Research & Technology Center

Flex space: vacancy rates and rents edge higher



Source: CoStar Group, Property Professional Database, Analytical Search, Historical Trends

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Residential Market Indicators Are Strong

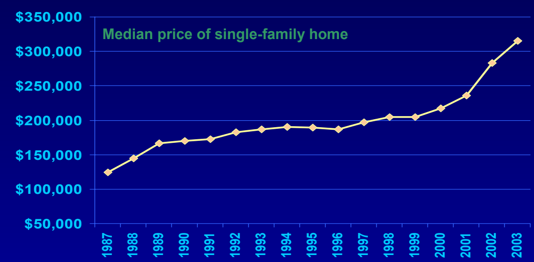
M-NCPPC Research & Technology Center

Number of housing sales continues upward trend

Source: MRIS

M-NCPPC Research & Technology Center

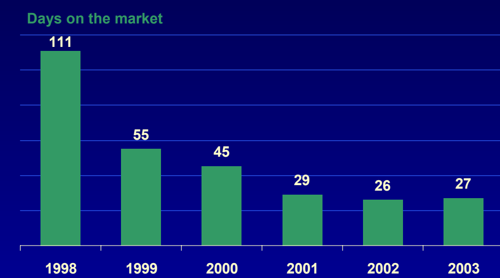
Most single-family homes now cost over $300,000



Source: M-NCPPC Research & Technology Center

M-NCPPC Research & Technology Center

Housing units continue to sell quickly

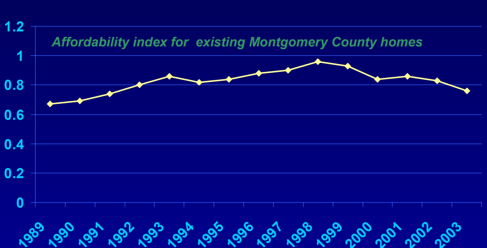


Sources: MRIS, COG

M-NCPPC Research & Technology Center

Housing is less affordable

Low interest rates help, but price hikes dominate.

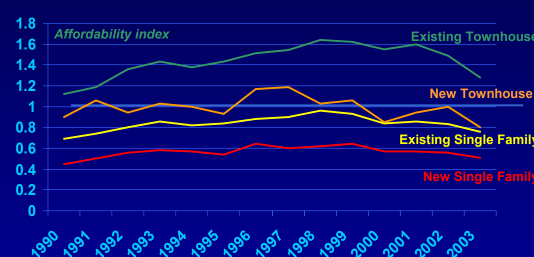


Source: M-NCPPC Research & Technology Center

The higher the score, the more affordable the housing is. A score of 1 means the monthly cost of buying a home equals 28% of gross income.

M-NCPPC Research & Technology Center

The median income household can afford the median priced townhouse

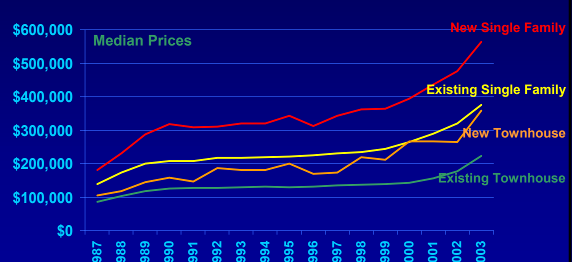


Source: M-NCPPC Research & Technology Center

The higher the score, the more affordable the housing is. A score of 1 means the monthly cost of buying a home equals 28% of gross income.

M-NCPPC Research & Technology Center

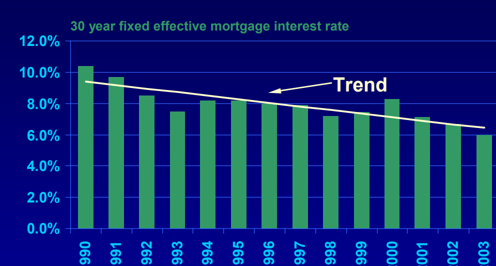
2003 brings marked increase in most home prices



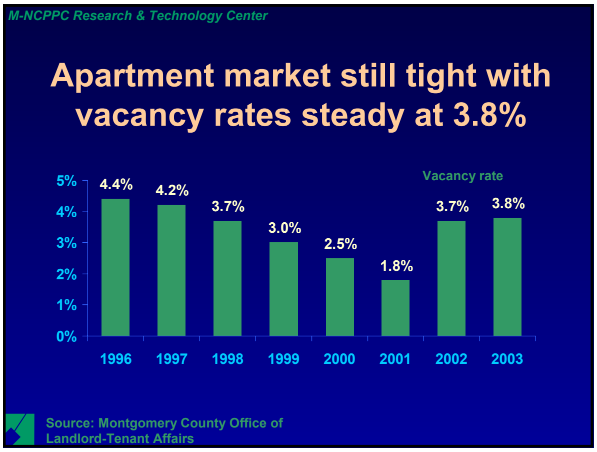
Source: M-NCPPC Research & Technology Center

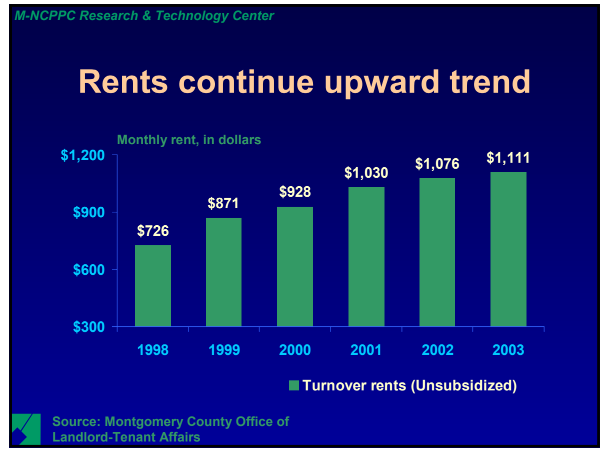
M-NCPPC Research & Technology Center

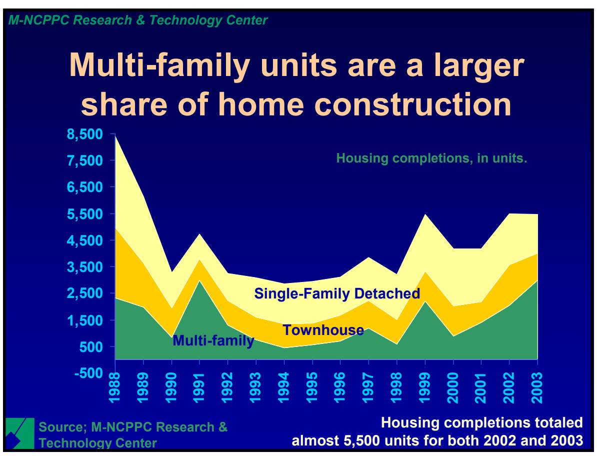
Mortgage rates continue to fall

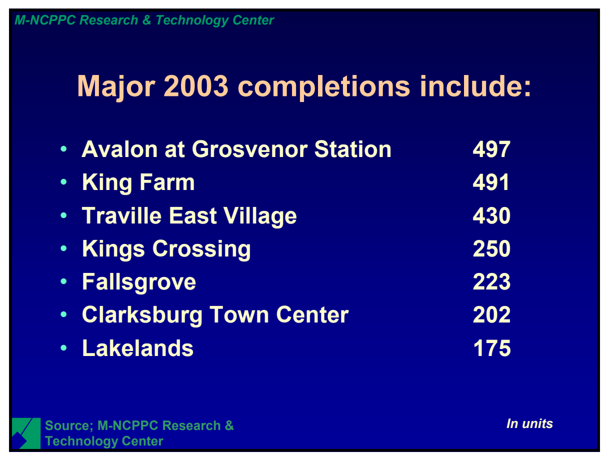


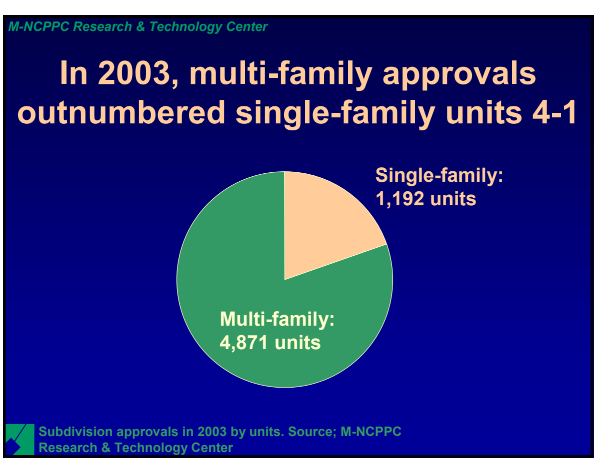
Source: Federal Home Loan Bank Board.


M-NCPPC Research & Technology Center
Apartment market still tight with vacancy rates steady at 3.8%
Vacancy rate
5%
4%
3%
2%
1%
0%
4.4%
4.2%
3.7%
3.0%
2.5%
1.8%
3.7%
3.8%
1996
1997
1998
1999
2000
2001
2002
2003
Source: Montgomery County Office of Landlord-Tenant Affairs


M-NCPPC Research & Technology Center
Rents continue upward trend
Monthly rent, in dollars
$1,200
$900
$600
$300
$726
$871
$928
$1,030
$1,076
$1,111
1998
1999
2000
2001
2002
2003
Turnover rents (Unsubsidized)
Source: Montgomery County Office of Landlord-Tenant Affairs


M-NCPPC Research & Technology Center
Multi-family units are a larger share of home construction
8,500
7,500
6,500
5,500
4,500
3,500
2,500
1,500
500
-500
Housing completions, in units.
Single-Family Detached
Townhouse
Multi-family
1988
1989
1990
1991
1992
1993
1994
1995
1996
1997
1998
1999
2000
2001
2002
2003
Source; M-NCPPC Research & Technology Center
Housing completions totaled almost 5,500 units for both 2002 and 2003


M-NCPPC Research & Technology Center
Major 2003 completions include:
Avalon at Grosvenor Station 497
King Farm 491
Traville East Village 430
Kings Crossing 250
Fallsgrove 223
Clarksburg Town Center 202
Lakelands 175
Source; M-NCPPC Research & Technology Center
In units


M-NCPPC Research & Technology Center
In 2003, multi-family approvals outnumbered single-family units 4-1
Single-family: 1,192 units
Multi-family: 4,871 units
Subdivision approvals in 2003 by units. Source; M-NCPPC Research & Technology Center

M-NCPPC Research & Technology Center

Economic Contribution of Associations to Montgomery County

M-NCPPC Research & Technology Center

"Associations" is not an traditionally considered an "industry."

- **Associations are not tracked by either:**
  - *The U.S. Bureau of Labor Statistics or*
  - *The U.S. Census Bureau.*
- **"Membership Organizations" is the closest proxy**:
  - *Religious Organizations,*
  - *Grant-making Foundations,*
  - *Human Rights Organizations,*
  - *Civic and Social Organizations, and*
  - *Business/Professional/Other.*

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Four types of organizations comprise the "Associations" Industry.

- **Business Leagues and Boards of Trade,**
- **Professional Organizations,**
- **Labor Unions, and**
- **Political Groups.**

NOTE: 58 percent of Montgomery County "Associations" jobs are in Professional Organizations.

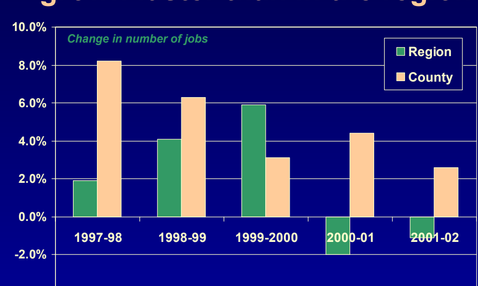
M-NCPPC Research & Technology Center

Employment and Establishment Trends 1997-2002

The Washington, D.C. region and Montgomery County

M-NCPPC Research & Technology Center

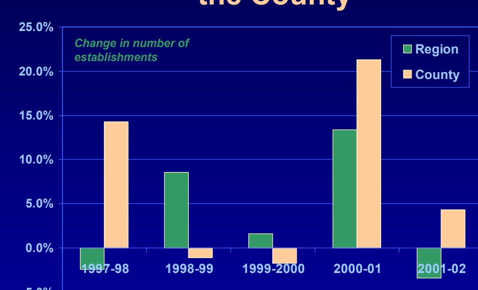
Association jobs in the County have grown faster than in the region



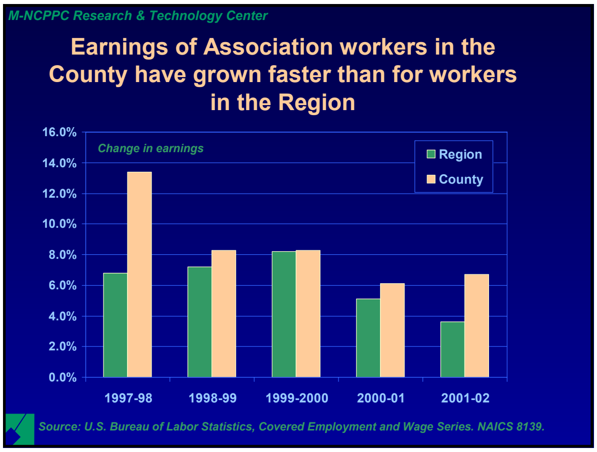
Source: U.S. Bureau of Labor Statistics, Covered Employment and Wage Series. NAICS 8139.

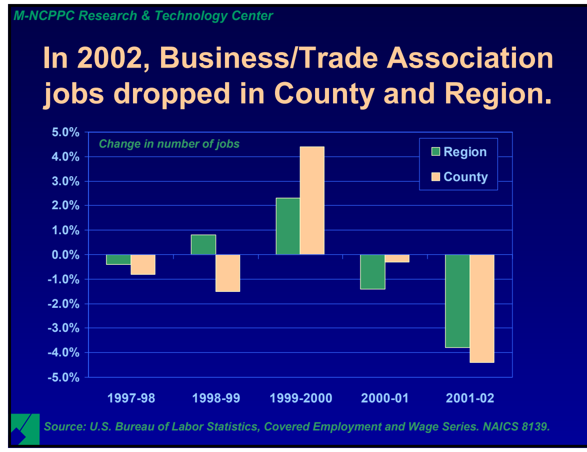
M-NCPPC Research & Technology Center

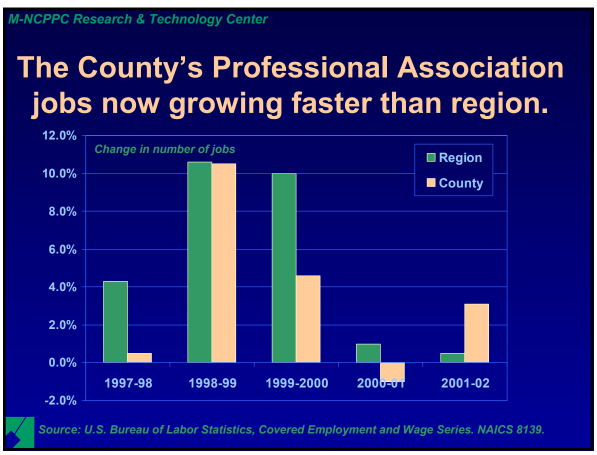
Associations continue to locate in the County

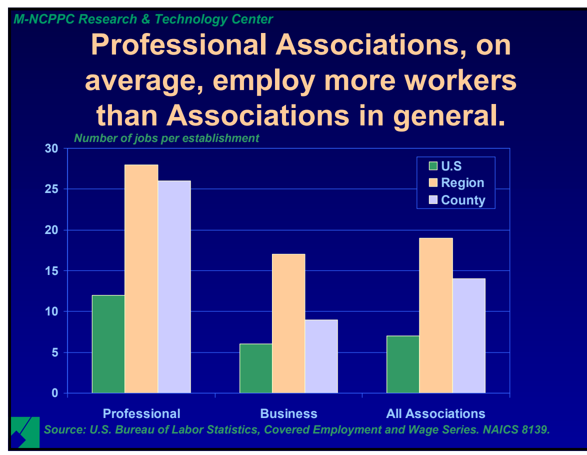


Source: U.S. Bureau of Labor Statistics, Covered Employment and Wage Series. NAICS 8139.

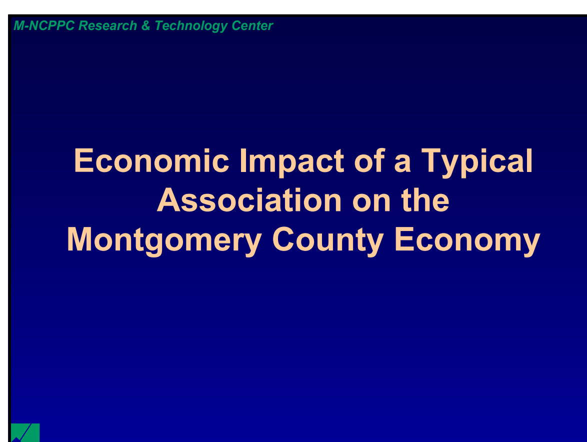

M-NCPPC Research & Technology Center
Earnings of Association workers in the County have grown faster than for workers in the Region
Change in earnings
Region
County
16.0%
14.0%
12.0%
10.0%
8.0%
6.0%
4.0%
2.0%
0.0%
1997-98
1998-99
1999-2000
2000-01
2001-02
Source: U.S. Bureau of Labor Statistics, Covered Employment and Wage Series. NAICS 8139.


M-NCPPC Research & Technology Center
In 2002, Business/Trade Association jobs dropped in County and Region.
Change in number of jobs
Region
County
5.0%
4.0%
3.0%
2.0%
1.0%
0.0%
-1.0%
-2.0%
-3.0%
-4.0%
-5.0%
1997-98
1998-99
1999-2000
2000-01
2001-02
Source: U.S. Bureau of Labor Statistics, Covered Employment and Wage Series. NAICS 8139.


M-NCPPC Research & Technology Center
The County's Professional Association jobs now growing faster than region.
Change in number of jobs
Region
County
12.0%
10.0%
8.0%
6.0%
4.0%
2.0%
0.0%
-2.0%
1997-98
1998-99
1999-2000
2000-01
2001-02
Source: U.S. Bureau of Labor Statistics, Covered Employment and Wage Series. NAICS 8139.


M-NCPPC Research & Technology Center
Professional Associations, on average, employ more workers than Associations in general.
Number of jobs per establishment
U.S
Region
County
30
25
20
15
10
5
0
Professional
Business
All Associations
Source: U.S. Bureau of Labor Statistics, Covered Employment and Wage Series. NAICS 8139.


M-NCPPC Research & Technology Center
Employees of Business/Trade Associations have higher earnings than other Association employees in the Region and County
Average wage per job
U.S.
Region
County
$90,000
$80,000
$70,000
$60,000
$50,000
$40,000
$30,000
$20,000
$10,000
$0
Association
Business/Trade
Professional
Source: U.S. Bureau of Labor Statistics, Covered Employment and Wage Series. NAICS 8139.


M-NCPPC Research & Technology Center
Economic Impact of a Typical Association on the Montgomery County Economy

For Every $1 Spent by a Typical Association, the Montgomery County Economy Increases $0.65

	Output	Jobs	Wages
Direct	$1,000,000	14	$686,959
Spin-Off	$ 647,806	7	$236,161
Total	$1,647,806	21	$923,120
Multiplier	1.65	1.50	1.34

Source: M-NCPPC economic impact analysis based on IMPLAN software

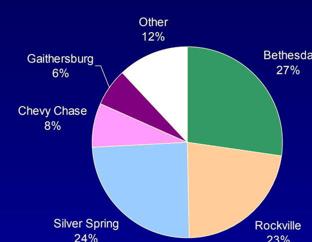
Top 5 Industries Impacted by Association Spending

1. Educational Services
2. Real Estate
3. Restaurant & Hospitality
4. Insurance/Finance
5. Business Support Services

Source: M-NCPPC economic impact analysis based on IMPLAN software

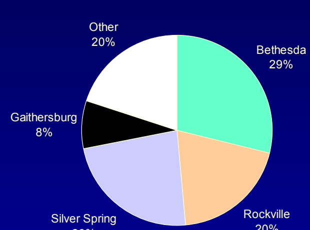
Distribution of Associations in Montgomery County by Place and Type

Three Montgomery County communities are home to most non-profit organizations.



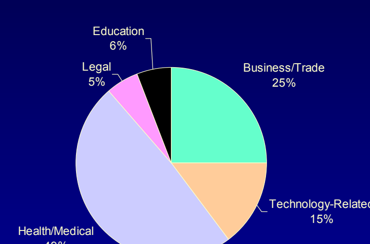
Categorized by mailing address. Source: Associations Unlimited Directory, 2004.

Membership organizations also cluster in Bethesda, Silver Spring and Rockville.



Categorized by mailing address. Source: Associations Unlimited Directory, 2004

Half of Montgomery County associations are health-related.



Source: Associations Unlimited Directory 2004

Appendix 1

Employment Trends Tables

Prepared by RESI Research & Consulting, Towson University
Under contract to the Montgomery County Department of Park & Planning, M-NCPPC

Montgomery County Sectoral Composition

Industry	2002:Q2 Employment	2003:Q2 Employment	One Year Change in Employmen Absolute	Percentage	2003:Q2 Establishments	Average Weekly
AGGREGATE	450,248	452,169	1,921	0.4%	30,794	$917
PUBLIC SECTOR	79,135	80,082	947	1.2%	133	$1,235
Federal Government	40,753	41,224	471	1.2%	90	$1,511
Local Government	37,270	37,715	445	1.2%	34	$953
State Government	1,112	1,143	31	2.8%	9	$604
PRIVATE SECTOR	370,693	372,087	1,394	0.4%	30,306	$849
Agriculture*	325	448	123	37.8%	30	$467
Mining*	162	193	31	19.1%	5	$1,013
Utilities	1,325	1,123	-202	-15.2%	14	$1,445
Construction	29,220	28,905	-315	-1.1%	2,602	$875
Manufacturing	17,514	16,236	-1,278	-7.3%	543	$1,283
Wholesale Trade	10,774	10,633	-141	-1.3%	1,083	$1,296
Retail Trade	49,635	49,100	-535	-1.1%	2,720	$533
Transportation and Warehousing	3,643	3,667	24	0.7%	304	$661
Information	16,063	15,265	-798	-5.0%	688	$1,218
Finance and Insurance	21,982	23,530	1,548	7.0%	1,445	$1,341
Real Estate and Rental and Leasing	11,322	11,674	352	3.1%	1,207	$853
Professional, Scientific & Technical Servi	63,455	61,973	-1,482	-2.3%	5,663	$1,231
Management of Companies and Enterpris	1,474	1,565	91	6.2%	52	$1,132
Administrative and Support and Waste	31,086	32,497	1,411	4.5%	1,790	$541
Educational Services	7,523	7,930	407	5.4%	453	$613
Healthcare and Social Assistance	44,528	45,742	1,214	2.7%	2,855	$740
Arts, Entertainment and Recreation	6,939	7,100	161	2.3%	351	$358
Accommodation and Food Services	31,076	31,945	869	2.8%	1,453	$473
Other Services	21,543	22,014	471	2.2%	7,041	$580

Source: Bureau of Labor Statistics, ES-202

* Sector contains confidential industries

Note: Aggregate employment figures may not sum due to inclusion of Not Elsewhere Classified (NEC, or NAICS code 999) employ

United States Sectoral Composition

Industry	2002:Q2 Employment	2003:Q2 Employment	One Year Change in Employment *Absolute*	*Percentage*	Average Weekly Wage
AGGREGATE	130,840,963	130,451,946	-389,017	-0.3%	$427
PUBLIC SECTOR	21,765,333	21,781,000	15,667	0.1%	NA
Federal Government	2,767,000	2,768,333	1,333	0.0%	NA
Local Government	13,964,000	14,058,000	94,000	0.7%	NA
State Government	5,034,333	4,954,667	-79,667	-1.6%	NA
PRIVATE SECTOR	109,075,630	108,670,946	-404,684	-0.4%	$513
Agriculture	122,431	125,196	2,765	2.3%	$777
Mining	391,138	376,342	-14,797	-3.8%	$799
Utilities	601,423	593,027	-8,396	-1.4%	$1,008
Construction	6,753,512	6,821,312	67,800	1.0%	$724
Manufacturing	15,382,223	14,757,253	-624,970	-4.1%	$636
Wholesale Trade	5,655,673	5,587,509	-68,164	-1.2%	$656
Retail Trade	14,963,649	14,877,267	-86,382	-0.6%	$370
Transportation and Warehousing	4,214,264	4,130,018	-84,246	-2.0%	$534
Information	3,432,524	3,294,644	-137,880	-4.0%	$752
Finance and Insurance	5,799,989	5,922,735	122,746	2.1%	$668
Real Estate and Rental and Leasing	2,035,953	2,055,658	19,705	1.0%	$426
Professional, Scientific & Technical Services	6,708,116	6,715,612	7,496	0.1%	$800
Management of Companies and Enterprises	1,709,887	1,693,229	-16,658	-1.0%	$593
Administrative and Support and Waste	7,645,898	7,619,410	-26,488	-0.3%	$431
Educational Services	2,641,221	2,709,352	68,131	2.6%	NA
Healthcare and Social Assistance	13,505,882	13,809,403	303,521	2.2%	$509
Arts, Entertainment and Recreation	1,856,718	1,843,349	-13,368	-0.7%	$301
Accommodation and Food Services	10,280,169	10,398,095	117,925	1.1%	$210
Other Services	5,374,959	5,341,536	-33,423	-0.6%	$434

Source: Bureau of Labor Statistics, 790 Series Data

NA=Data Not Available

Maryland Industries

Industry	NAICS	2002:Q2 Employment	2003:Q2 Employment	One Year Change in Employment *Absolute*	*Percentage*	2003:Q2 Establishments	Average Weekly Wage
Crop Production	111	2,369	2,459	90	3.80%	234	$453
Animal Production	112	1,402	1,398	-4	-0.29%	132	$480
Forestry and Logging	113	352	369	17	4.83%	67	$429
Fishing, Hunting and Trapping	114	194	200	6	3.09%	31	$598
Support Activities for Agriculture and Forestry	115	745	801	56	7.52%	140	$463
Oil and Gas Extraction	211	*Confidential*					
Mining (except Oil and Gas)	212	1,215	1,236	21	1.73%	58	$900
Support Activities for Mining	213	145	160	15	10.34%	15	$716
Utilities	221	9,874	9,322	-552	-5.59%	134	$1,342
Construction of Buildings	236	39,884	40,337	453	1.14%	5,872	$847
Heavy and Civil Engineering Construction	237	16,622	16,900	278	1.67%	1,069	$772
Specialty Trade Contractors	238	110,581	109,563	-1,018	-0.92%	10,387	$750
Food Manufacturing	311	17,318	16,977	-341	-1.97%	376	$652
Beverage and Tobacco Product Manufacturing	312	4,578	4,738	160	3.49%	59	$795
Textile Mills	313	2,019	1,947	-72	-3.57%	57	$551
Textile Product Mills	314	1,149	1,176	27	2.35%	134	$646
Apparel Manufacturing	315	2,609	2,069	-540	-20.70%	64	$503
Leather and Allied Product Manufacturing	316	1,266	1,127	-139	-10.98%	15	$582
Wood Product Manufacturing	321	3,935	3,842	-93	-2.36%	156	$603
Paper Manufacturing	322	5,622	4,980	-642	-11.42%	49	$852
Printing and Related Support Activities	323	15,900	14,990	-910	-5.72%	708	$797
Petroleum and Coal Products Manufacturing	324	975	961	-14	-1.44%	30	$897
Chemical Manufacturing	325	14,056	13,801	-255	-1.81%	225	$1,115
Plastics and Rubber Products Manufacturing	326	8,308	7,753	-555	-6.68%	113	$841
Nonmetallic Mineral Product Manufacturing	327	5,654	5,364	-290	-5.13%	187	$733
Primary Metal Manufacturing	331	5,668	5,391	-277	-4.89%	63	$1,102
Fabricated Metal Product Manufacturing	332	10,706	9,936	-770	-7.19%	489	$749
Machinery Manufacturing	333	10,661	9,433	-1,228	-11.52%	227	$992
Computer and Electronic Product Manufacturing	334	28,163	24,797	-3,366	-11.95%	391	$1,419
Electrical Equipment, Appliance, and Component Manufacturing	335	2,308	2,107	-201	-8.71%	79	$922
Transportation Equipment Manufacturing	336	8,807	9,237	430	4.88%	152	$994
Furniture and Related Product Manufacturing	337	4,183	3,902	-281	-6.72%	289	$635
Miscellaneous Manufacturing	339	4,759	4,700	-59	-1.24%	454	$730
Merchant Wholesalers, Durable Goods	423	56,013	54,170	-1,843	-3.29%	5,632	$1,075
Merchant Wholesalers, Nondurable Goods	424	31,217	30,020	-1,197	-3.83%	2,380	$856
Wholesale Electronic Markets and Agents and Brokers	425	6,329	7,194	865	13.67%	1,874	$1,173
Motor Vehicle and Parts Dealers	441	38,098	38,568	470	1.23%	1,683	$786
Furniture and Home Furnishings Stores	442	10,885	11,687	802	7.37%	1,035	$594
Electronics and Appliance Stores	443	10,465	10,607	142	1.36%	1,040	$692
Building Material and Garden Equipment and Supplies Dealers	444	24,224	24,206	-18	-0.07%	1,137	$516
Food and Beverage Stores	445	61,654	63,552	1,898	3.08%	3,193	$450
Health and Personal Care Stores	446	19,623	17,649	-1,974	-10.06%	1,252	$555
Gasoline Stations	447	11,754	11,538	-216	-1.84%	1,469	$354
Clothing and Clothing Accessories Stores	448	26,598	26,654	56	0.21%	2,246	$314
Sporting Goods, Hobby, Book, and Music Stores	451	14,158	13,979	-179	-1.26%	1,186	$353
General Merchandise Stores	452	49,681	48,854	-827	-1.66%	758	$347
Miscellaneous Store Retailers	453	21,528	20,856	-672	-3.12%	2,500	$403
Nonstore Retailers	454	5,504	5,259	-245	-4.45%	588	$610
Air Transportation	481	5,409	4,715	-694	-12.83%	60	$908
Water Transportation	483	666	598	-68	-10.21%	38	$1,250
Truck Transportation	484	17,808	17,191	-617	-3.46%	1,679	$665
Transit and Ground Passenger Transportation	485	8,245	8,585	340	4.12%	780	$411
Pipeline Transportation	486	*Confidential*					
Scenic and Sightseeing Transportation	487	352	364	12	3.41%	46	$302
Support Activities for Transportation	488	10,047	9,899	-148	-1.47%	675	$874
Postal Service	491	*Confidential*					
Couriers and Messengers	492	10,965	10,549	-416	-3.79%	366	$651
Warehousing and Storage	493	9,289	8,992	-297	-3.20%	175	$760
Publishing Industries (except Internet)	511	13,207	12,715	-492	-3.73%	608	$922
Motion Picture and Sound Recording Industries	512	3,961	4,656	695	17.55%	405	$418
Broadcasting (except Internet)	515	4,964	5,009	45	0.91%	149	$1,248
Internet Publishing and Broadcasting	516	579	624	45	7.77%	35	$1,104
Telecommunications	517	22,648	20,194	-2,454	-10.84%	867	$1,167
Internet Service Providers, Web Search Portals, and Data Processing Services	518	7,758	6,796	-962	-12.40%	686	$1,123
Other Information Services	519	972	1,099	127	13.07%	75	$856
Monetary Authorities - Central Bank	521	*Confidential*					
Credit Intermediation and Related Activities	522	51,260	55,437	4,177	8.15%	3,328	$1,048
Securities, Commodity Contracts, and Other Financial Investments and Related Activities	523	14,513	13,990	-523	-3.60%	1,023	$2,217
Insurance Carriers and Related Activities	524	36,795	37,697	902	2.45%	2,851	$1,050
Funds, Trusts, and Other Financial Vehicles	525	1,750	1,890	140	8.00%	144	$988
Real Estate	531	31,829	32,706	877	2.76%	4,565	$737
Rental and Leasing Services	532	13,628	13,806	178	1.31%	1,015	$610
Lessors of Nonfinancial Intangible Assets (except Copyrighted Works)	533	352	416	64	18.18%	45	$1,133
Professional, Scientific, and Technical Services	541	199,129	201,499	2,370	1.19%	22,040	$1,147
Management of Companies and Enterprises	551	9,332	8,915	-417	-4.47%	324	$1,142
Administrative and Support Services	561	143,178	144,742	1,564	1.09%	9,231	$507
Waste Management and Remediation Services	562	7,204	7,176	-28	-0.39%	465	$717
Educational Services	611	49,766	50,892	1,126	2.26%	1,874	$708
Ambulatory Health Care Services	621	86,474	88,767	2,293	2.65%	9,302	$884
Hospitals	622	84,885	88,469	3,584	4.22%	125	$753
Nursing and Residential Care Facilities	623	57,797	57,496	-301	-0.52%	1,285	$486
Social Assistance	624	38,423	41,188	2,765	7.20%	2,189	$433
Performing Arts, Spectator Sports, and Related Industries	711	6,987	7,041	54	0.77%	670	$949
Museums, Historical Sites, and Similar Institutions	712	1,993	1,843	-150	-7.53%	101	$450
Amusement, Gambling, and Recreation Industries	713	26,333	26,645	312	1.18%	1,272	$291
Accommodation	721	25,775	25,292	-483	-1.87%	721	$559
Food Services and Drinking Places	722	159,412	163,304	3,892	2.44%	8,724	$258
Repair and Maintenance	811	24,568	24,983	415	1.69%	4,331	$637
Personal and Laundry Services	812	29,134	30,035	901	3.09%	3,681	$390
Religious, Grantmaking, Civic, Professional, and Similar Organizations	813	25,398	25,623	225	0.89%	2,628	$618
Private Households	814	9,111	8,995	-116	-1.27%	7,946	$320
Not Elsewhere Classified	999	4,541	1,978	-2,563	-56.44%	1,660	$967

Source: Bureau of Labor Statistics, ES-202

Maryland Sectoral Composition

Industry	2002:Q2 Employment	2003:Q2 Employment	One Year Change in Employment *Absolute*	*Percentage*	2003:Q2 Establishments	Average Weekly Wage
AGGREGATE*	2,441,570	2,448,995	7,425	0.3%	150,463	$761
PUBLIC SECTOR	454,889	458,933	3,990	0.9%	1,830	$914
Federal Government	126,980	128,077	1,043	0.8%	876	$1,330
Local Government	229,756	231,551	1,795	0.8%	553	$764
State Government	98,153	99,305	1,152	1.2%	401	$728
PRIVATE SECTOR*	1,982,086	1,988,084	5,998	0.3%	146,973	$725
Agriculture	5,062	5,227	165	3.3%	604	$465
Mining*	1,360	1,396	36	2.6%	73	$879
Utilities	9,874	9,322	-552	-5.6%	134	$1,342
Construction	167,087	166,800	-287	-0.2%	17,328	$776
Manufacturing	158,644	149,228	-9,416	-5.9%	4,317	$928
Wholesale Trade	93,559	91,384	-2,175	-2.3%	9,886	$1,010
Retail Trade	294,172	293,409	-763	-0.3%	18,087	$482
Transportation and Warehousing	62,858	61,031	-1,827	-2.9%	3,837	$697
Information	54,089	51,093	-2,996	-5.5%	2,825	$1,033
Finance and Insurance	104,673	109,361	4,688	4.5%	7,348	$1,197
Real Estate and Rental and Leasing	45,809	46,928	1,119	2.4%	5,625	$703
Professional, Scientific & Technical Services	199,129	201,499	2,370	1.2%	22,040	$1,147
Management of Companies and Enterprises	9,332	8,915	-417	-4.5%	324	$1,142
Administrative and Support and Waste	150,382	151,918	1,536	1.0%	9,696	$517
Educational Services	49,766	50,892	1,126	2.3%	1,874	$708
Healthcare and Social Assistance	267,579	275,920	8,341	3.1%	12,901	$692
Arts, Entertainment and Recreation	35,313	35,529	216	0.6%	2,043	$430
Accommodation and Food Services	185,187	188,596	3,409	1.8%	9,445	$298
Other Services	88,211	89,636	1,425	1.6%	18,586	$517

Source: Bureau of Labor Statistics, ES-202

* Sector contains confidential industries

Note: Aggregate employment figures may not sum due to inclusion of Not Elsewhere Classified (NEC, or NAICS code 999) employment data.

Montgomery County Industries

Industry	NAICS	2002:Q2 Employment	2003:Q2 Employment	One Year Change in Employmen Absolute	Percentage	2003:Q2 Establishments	Average Weekly
Crop Production	111	213	363	150	70.42%	15	$449
Animal Production	112			*Confidential*			
Support Activities for Agriculture and Forestry	115	112	85	-27	-24.11%	15	$441
Mining (except Oil and Gas)	212	162	193	31	19.14%	5	$894
Support Activities for Mining	213			*Confidential*			
Utilities	221	1,325	1,123	-202	-15.25%	14	$1,445
Construction of Buildings	236	9,241	9,590	349	3.78%	1,047	$997
Heavy and Civil Engineering Construction	237	2,478	2,327	-151	-6.09%	116	$1,002
Specialty Trade Contractors	238	17,501	16,988	-513	-2.93%	1,439	$789
Food Manufacturing	311	1,111	887	-224	-20.16%	40	$483
Beverage and Tobacco Product Manufacturing	312	425	468	43	10.12%	4	$890
Textile Mills	313			*Confidential*			
Textile Product Mills	314	161	178	17	10.56%	23	$540
Apparel Manufacturing	315			*Confidential*			
Leather and Allied Product Manufacturing	316			*Confidential*			
Wood Product Manufacturing	321	102	83	-19	-18.63%	13	$738
Paper Manufacturing	322			*Confidential*			
Printing and Related Support Activities	323	2,286	2,230	-56	-2.45%	111	$822
Petroleum and Coal Products Manufacturing	324			*Confidential*			
Chemical Manufacturing	325	1,169	1,209	40	3.42%	17	$1,758
Plastics and Rubber Products Manufacturing	326			*Confidential*			
Nonmetallic Mineral Product Manufacturing	327	367	374	7	1.91%	18	$940
Primary Metal Manufacturing	331			*Confidential*			
Fabricated Metal Product Manufacturing	332	376	600	224	59.57%	28	$782
Machinery Manufacturing	333	225	268	43	19.11%	11	$898
Computer and Electronic Product Manufacturing	334	9,483	7,849	-1,634	-17.23%	104	$1,609
Electrical Equipment, Appliance, and Component Manufacturing	335	325	205	-120	-36.92%	12	$1,331
Transportation Equipment Manufacturing	336	306	838	532	173.86%	6	$1,240
Furniture and Related Product Manufacturing	337	357	362	5	1.40%	46	$811
Miscellaneous Manufacturing	339	507	503	-4	-0.79%	88	$875
Merchant Wholesalers, Durable Goods	423	7,337	7,229	-108	-1.47%	666	$1,410
Merchant Wholesalers, Nondurable Goods	424	2,658	2,567	-91	-3.42%	237	$983
Wholesale Electronic Markets and Agents and Brokers	425	779	837	58	7.45%	180	$1,274
Motor Vehicle and Parts Dealers	441	6,619	6,830	211	3.19%	167	$919
Furniture and Home Furnishings Stores	442	2,440	2,536	96	3.93%	223	$619
Electronics and Appliance Stores	443	2,193	2,466	273	12.45%	204	$780
Building Material and Garden Equipment and Supplies Dealers	444	3,063	3,202	139	4.54%	122	$582
Food and Beverage Stores	445	11,187	10,977	-210	-1.88%	413	$462
Health and Personal Care Stores	446	3,574	2,372	-1,202	-33.63%	196	$444
Gasoline Stations	447	1,632	1,578	-54	-3.31%	191	$493
Clothing and Clothing Accessories Stores	448	4,757	5,295	538	11.31%	404	$313
Sporting Goods, Hobby, Book, and Music Stores	451	3,171	3,020	-151	-4.76%	210	$396
General Merchandise Stores	452	7,434	7,215	-219	-2.95%	83	$424
Miscellaneous Store Retailers	453	3,102	3,114	12	0.39%	421	$454
Nonstore Retailers	454	463	495	32	6.91%	86	$623
Air Transportation	481			*Confidential*			
Water Transportation	483	198	225	27	13.64%	7	$1,575
Truck Transportation	484	1,290	1,292	2	0.16%	112	$568
Transit and Ground Passenger Transportation	485	564	578	14	2.48%	57	$530
Scenic and Sightseeing Transportation	487			*Confidential*			
Support Activities for Transportation	488	207	203	-4	-1.93%	52	$601
Postal Service	491			*Confidential*			
Couriers and Messengers	492	1,098	1,064	-34	-3.10%	53	$573
Warehousing and Storage	493	269	265	-4	-1.49%	18	$1,016
Publishing Industries (except Internet)	511	4,422	4,001	-421	-9.52%	178	$1,174
Motion Picture and Sound Recording Industries	512	936	946	10	1.07%	139	$560
Broadcasting (except Internet)	515	2,026	2,286	260	12.83%	34	$1,455
Internet Publishing and Broadcasting	516	403	457	54	13.40%	4	$1,263
Telecommunications	517	5,474	5,181	-293	-5.35%	149	$1,315
Internet Service Providers, Web Search Portals, and Data Processing Services	518	2,727	2,313	-414	-15.18%	172	$1,110
Other Information Services	519	75	81	6	8.00%	12	$1,054
Credit Intermediation and Related Activities	522	8,657	9,525	868	10.03%	634	$1,361
Securities, Commodity Contracts, and Other Financial Investments and Related A	523	3,574	3,789	215	6.02%	282	$1,687
Insurance Carriers and Related Activities	524	9,302	9,754	452	4.86%	500	$1,203
Funds, Trusts, and Other Financial Vehicles	525	449	462	13	2.90%	29	$1,039
Real Estate	531	8,907	9,173	266	2.99%	1,040	$915
Rental and Leasing Services	532	2,317	2,378	61	2.63%	149	$577
Lessors of Nonfinancial Intangible Assets (except Copyrighted Works)	533	98	123	25	25.51%	18	$1,555
Professional, Scientific, and Technical Services	541	63,455	61,973	-1,482	-2.34%	5,663	$1,231
Management of Companies and Enterprises	551	1,474	1,565	91	6.17%	52	$1,132
Administrative and Support Services	561	30,271	31,736	1,465	4.84%	1,754	$535
Waste Management and Remediation Services	562	815	761	-54	-6.63%	36	$770
Educational Services	611	7,523	7,930	407	5.41%	453	$613
Ambulatory Health Care Services	621	18,564	19,503	939	5.06%	2,241	$958
Hospitals	622	9,164	9,557	393	4.29%	17	$779
Nursing and Residential Care Facilities	623	9,361	9,368	7	0.07%	198	$478
Social Assistance	624	7,439	7,314	-125	-1.68%	399	$440
Performing Arts, Spectator Sports, and Related Industries	711	1,073	1,281	208	19.38%	162	$492
Museums, Historical Sites, and Similar Institutions	712	81	96	15	18.52%	12	$423
Amusement, Gambling, and Recreation Industries	713	5,785	5,723	-62	-1.07%	177	$327
Accommodation	721	6,803	6,812	9	0.13%	76	$1,078
Food Services and Drinking Places	722	24,273	25,133	860	3.54%	1,377	$309
Repair and Maintenance	811	3,382	3,477	95	2.81%	599	$735
Personal and Laundry Services	812	5,495	5,809	314	5.71%	649	$430
Religious, Grantmaking, Civic, Professional, and Similar Organizations	813	7,056	7,090	34	0.48%	517	$836
Private Households	814	5,610	5,638	28	0.50%	5,276	$316
Not Elsewhere Classified	999	1,058	504	-554	-52.36%	355	$764

Source: Bureau of Labor Statistics, ES-202

United States Industries

Industry	NAICS	2002:Q2 Employment	2003:Q2 Employment	One Year Change in Employment *Absolute*	*Percentage*	Average Weekly Wage
Oil and Gas Extraction	211	122,431	125,196	2,765	2.26%	$777
Mining (except Oil and Gas)	212	213,876	209,340	-4,536	-2.12%	$860
Support Activities for Mining	213	177,263	167,002	-10,260	-5.79%	$724
Utilities	221	601,423	593,027	-8,396	-1.40%	$1,008
Construction of Buildings	236	1,575,932	1,616,365	40,433	2.57%	$695
Heavy and Civil Engineering Construction	237	951,066	920,941	-30,125	-3.17%	$769
Specialty Trade Contractors	238	4,226,514	4,284,007	57,492	1.36%	$726
Food Manufacturing	311	1,511,314	1,498,574	-12,741	-0.84%	$498
Beverage and Tobacco Product Manufacturing	312	207,226	194,166	-13,060	-6.30%	$704
Textile Mills	313	296,164	275,521	-20,643	-6.97%	$466
Textile Product Mills	314	197,203	189,763	-7,441	-3.77%	$434
Apparel Manufacturing	315	364,286	316,142	-48,144	-13.22%	$337
Leather and Allied Product Manufacturing	316	51,303	44,703	-6,600	-12.86%	$459
Wood Product Manufacturing	321	559,923	546,367	-13,556	-2.42%	$508
Paper Manufacturing	322	551,082	532,113	-18,969	-3.44%	$711
Printing and Related Support Activities	323	712,588	694,537	-18,051	-2.53%	$577
Petroleum and Coal Products Manufacturing	324	119,302	119,871	569	0.48%	$1,032
Chemical Manufacturing	325	931,551	921,062	-10,489	-1.13%	$779
Plastics and Rubber Products Manufacturing	326	857,116	838,803	-18,313	-2.14%	$569
Nonmetallic Mineral Product Manufacturing	327	521,270	507,345	-13,925	-2.67%	$668
Primary Metal Manufacturing	331	512,693	486,764	-25,930	-5.06%	$761
Fabricated Metal Product Manufacturing	332	1,556,193	1,483,127	-73,066	-4.70%	$605
Machinery Manufacturing	333	1,247,397	1,185,058	-62,338	-5.00%	$661
Computer and Electronic Product Manufacturing	334	1,537,918	1,415,870	-122,047	-7.94%	$670
Electrical Equipment, Appliance, and Component Manufacturing	335	502,362	470,741	-31,621	-6.29%	$576
Transportation Equipment Manufacturing	336	1,839,891	1,779,225	-60,666	-3.30%	$876
Furniture and Related Product Manufacturing	337	612,143	577,022	-35,121	-5.74%	$495
Miscellaneous Manufacturing	339	693,297	680,478	-12,819	-1.85%	$503
Merchant Wholesalers, Durable Goods	423	3,014,751	2,954,222	-60,529	-2.01%	$683
Merchant Wholesalers, Nondurable Goods	424	2,020,792	2,013,049	-7,743	-0.38%	$594
Wholesale Electronic Markets and Agents and Brokers	425	620,130	620,237	108	0.02%	$726
Motor Vehicle and Parts Dealers	441	1,882,901	1,880,908	-1,993	-0.11%	$568
Furniture and Home Furnishings Stores	442	531,030	541,370	10,341	1.95%	$406
Electronics and Appliance Stores	443	519,843	515,848	-3,995	-0.77%	$495
Building Material and Garden Equipment and Supplies Dealers	444	1,218,521	1,230,937	12,416	1.02%	$458
Food and Beverage Stores	445	2,867,292	2,810,267	-57,025	-1.99%	$346
Health and Personal Care Stores	446	939,192	962,913	23,721	2.53%	$383
Gasoline Stations	447	902,132	910,067	7,935	0.88%	$265
Clothing and Clothing Accessories Stores	448	1,282,277	1,256,967	-25,310	-1.97%	$257
Sporting Goods, Hobby, Book, and Music Stores	451	648,919	625,979	-22,940	-3.54%	$267
General Merchandise Stores	452	2,776,390	2,771,459	-4,931	-0.18%	$294
Miscellaneous Store Retailers	453	959,157	940,959	-18,198	-1.90%	$320
Nonstore Retailers	454	435,996	429,591	-6,404	-1.47%	$489
Air Transportation	481	559,318	515,630	-43,688	-7.81%	$571
Rail Transportation	482	217,219	217,035	-184	-0.08%	NA
Water Transportation	483	52,769	50,605	-2,164	-4.10%	NA
Truck Transportation	484	1,341,659	1,324,511	-17,148	-1.28%	$644
Transit and Ground Passenger Transportation	485	387,135	362,800	-24,335	-6.29%	$430
Pipeline Transportation	486	41,697	39,999	-1,698	-4.07%	$1,077
Scenic and Sightseeing Transportation	487	26,265	30,466	4,201	16.00%	$356
Support Activities for Transportation	488	525,447	524,425	-1,022	-0.19%	$648
Couriers and Messengers	492	555,841	555,992	152	0.03%	$399
Warehousing and Storage	493	506,914	508,554	1,640	0.32%	$564
Publishing Industries (except Internet)	511	967,477	945,543	-21,934	-2.27%	$776
Motion Picture and Sound Recording Industries	512	390,349	373,567	-16,782	-4.30%	$629
Broadcasting (except Internet)	515	333,730	323,995	-9,735	-2.92%	$681
Internet Publishing and Broadcasting	516	34,900	33,695	-1,205	-3.45%	NA
Telecommunications	517	1,209,700	1,138,881	-70,819	-5.85%	$814
Internet Service Providers, Web Search Portals, and Data Processing Services	518	449,368	433,232	-16,136	-3.59%	$803
Other Information Services	519	47,000	45,732	-1,268	-2.70%	$334
Monetary Authorities - Central Bank	521	23,266	22,133	-1,133	-4.87%	NA
Credit Intermediation and Related Activities	522	2,664,912	2,779,029	114,116	4.28%	$559
Securities, Commodity Contracts, and Other Financial Investments and Related Activities	523	803,675	796,634	-7,041	-0.88%	$867
Insurance Carriers and Related Activities	524	2,222,203	2,242,140	19,936	0.90%	$735
Funds, Trusts, and Other Financial Vehicles	525	85,933	82,800	-3,133	-3.65%	$786
Real Estate	531	1,348,046	1,370,126	22,080	1.64%	$448
Rental and Leasing Services	532	659,607	656,327	-3,279	-0.50%	$399
Lessors of Nonfinancial Intangible Assets (except Copyrighted Works)	533	28,300	29,204	904	3.20%	NA
Professional, Scientific, and Technical Services	541	6,708,116	6,715,612	7,496	0.11%	$800
Management of Companies and Enterprises	551	1,709,887	1,693,229	-16,658	-0.97%	$593
Administrative and Support Services	561	7,327,981	7,300,136	-27,845	-0.38%	$418
Waste Management and Remediation Services	562	317,916	319,274	1,357	0.43%	$723
Educational Services	611	2,641,221	2,709,352	68,131	2.58%	NA
Ambulatory Health Care Services	621	4,613,484	4,767,680	154,197	3.34%	$523
Hospitals	622	4,136,841	4,214,996	78,155	1.89%	$663
Nursing and Residential Care Facilities	623	2,735,588	2,788,044	52,456	1.92%	$384
Social Assistance	624	2,019,970	2,038,684	18,713	0.93%	$324
Performing Arts, Spectator Sports, and Related Industries	711	365,465	364,000	-1,465	-0.40%	$431
Museums, Historical Sites, and Similar Institutions	712	116,353	111,963	-4,390	-3.77%	$354
Amusement, Gambling, and Recreation Industries	713	1,374,900	1,367,387	-7,513	-0.55%	$262
Accommodation	721	1,798,364	1,786,670	-11,693	-0.65%	$303
Food Services and Drinking Places	722	8,481,805	8,611,424	129,619	1.53%	$191
Repair and Maintenance	811	1,248,723	1,220,087	-28,636	-2.29%	$516
Personal and Laundry Services	812	1,260,185	1,233,629	-26,556	-2.11%	$345
Religious, Grantmaking, Civic, Professional, and Similar Organizations	813	2,866,052	2,887,821	21,769	0.76%	$438

Source: Bureau of Labor Statistics, 790 Series Data

NA=Data Not Available

Appendix 2

Federal Impact Tables

Prepared by the Montgomery County Department of Park & Planning, M-NCPPC
Procurement Information based upon data supplied by the Federal Procurement Data Center

Comparison of General Services Administration Leased Space by Agency
March 2003 and January 2004
Montgomery County, Maryland

Federal Agency	January 2004 Rentable Sq. Ft.	March 2003 Rentable Sq. Ft.	Change Sq. Ft.	Percent Change
Consumer Product Safety Commission	127,788	114,354	13,434	11.7%
Department of Commerce	1,140,209	1,124,867	15,342	1.4%
Department of Defense	101,063	109,342	(8,279)	-7.6%
Department of Energy	170,132	170,132	0	0.0%
Department of Homeland Security	50,141	0	50,141	
Department of Justice	91,725	91,725	0	0.0%
Department of the Treasury	79,173	124,515	(45,342)	-36.4%
Department of Transportation	88,612	88,612	0	0.0%
General Services Administration	14,124	4,458	9,666	216.8%
Health and Human Services	4,609,586	4,521,290	88,296	2.0%
Marine Mammal Commission	4,937	4,441	496	11.2%
Nuclear Regulatory Commission	371,606	371,606	0	0.0%
Social Security Administration	28,238	21,250	6,988	32.9%
Not Available	32,807	0	32,807	
Montgomery County Total	6,910,141	6,746,592	163,549	2.4%

General Services Administration Leased Space and Annual Rent by Agency
January 2004
Montgomery County, Maryland

Federal Agency	January 2004 Rentable Sq. Ft.	Percent of Total	January 2004 Annual Rent	Percent of Total
Health and Human Services	4,609,586	66.7%	$93,422,628	63.5%
Department of Commerce	1,140,209	16.5%	$27,512,021	18.7%
Nuclear Regulatory Commission	371,606	5.4%	$8,816,567	6.0%
Department of Energy	170,132	2.5%	$2,873,234	2.0%
Consumer Product Safety Commission	127,788	1.8%	$3,328,520	2.3%
Department of Defense	101,063	1.5%	$1,589,489	1.1%
Department of Justice	91,725	1.3%	$1,811,786	1.2%
Department of Transportation	88,612	1.3%	$2,167,686	1.5%
Department of the Treasury	79,173	1.1%	$1,807,933	1.2%
Department of Homeland Security	50,141	0.7%	$1,452,358	1.0%
Not Available	32,807	0.5%	$1,205,125	0.8%
Social Security Administration	28,238	0.4%	$753,519	0.5%
General Services Administration	14,124	0.2%	$341,515	0.2%
Marine Mammal Commission	4,937	0.1%	$101,724	0.1%
Montgomery County Total	6,910,141	100.0%	$147,184,106	100.0%

Source: General Services Administration, NCR Space Inventory and NCR Lease Inventory, January 2004.
Montgomery County Department of Park and Planning, Research and Technology Center.

General Services Administration Leased Space, January 2004
by Agency and Year of Lease Expiration
Montgomery County, Maryland

Agency	Year of Expiration	Rentable Sq. Ft.	Annual Rent
Consumer Product Safety Commission	2003	11916	$118,266
	2007	3,300	$144,760
	2013	112,572	$3,065,494
Consumer Product Safety Commission Total		127,788	$3,328,520
Department of Commerce	2003	23,740	$564,219
	2004	11,102	$221,453
	2005	44,248	$952,655
	2006	7,262	$68,926
	2007	48,217	$673,599
	2008	21,268	$490,227
	2010	296,903	$7,738,735
	2013	687,469	$16,802,207
Department of Commerce Total		1,140,209	$27,512,021
Department of Defense	2004	3,564	$109,239
	2006	11,413	$228,316
	2008	31,500	$324,450
	2010	25,283	$291,737
	2011	22,843	$500,240
	2012	6,460	$135,507
Department of Defense Total		101,063	$1,589,489
Department of Energy	2005	84,328	$1,211,079
	2009	85,804	$1,662,155
Department of Energy Total		170,132	$2,873,234
Department of Homeland Security	2004	28,514	$1,125,943
	2006	834	$24,060
	2011	20,793	$302,356
Department of Homeland Security Total		50,141	$1,452,358
Department of Justice	2005	91,725	$1,811,786
Department of Justice Total		91,725	$1,811,786
Department of the Treasury	2003	32,805	$489,310
	2004	8,540	$150,108
	2006	37,828	$1,168,516
Department of the Treasury Total		79,173	$1,807,933
Department of Transportation	2013	88,612	$2,167,686
Department of Transportation Total		88,612	$2,167,686
General Services Administration	2008	9,999	$237,095
	2013	4,125	$104,420
General Services Administration Total		14,124	$341,515
Health and Human Services	2004	763,113	$13,088,102
	2005	967,528	$18,463,021
	2006	122,613	$2,030,739
	2007	262,172	$5,678,270
	2008	292,566	$8,205,057
	2009	502,336	$15,247,426
	2010	1,270,939	$18,229,884
	2011	119,424	$3,974,485
	2013	308,895	$8,505,644
Health and Human Services Total		4,609,586	$93,422,628
Marine Mammal Commission	2006	4,937	$101,724
Marine Mammal Commission Total		4,937	$101,724
Nuclear Regulatory Commission	2005	23,684	$212,654
	2013	347,922	$8,603,913
Nuclear Regulatory Commission Total		371,606	$8,816,567
Social Security Administration	2006	16,008	$379,406
	2012	12,230	$374,113
Social Security Administration Total		28,238	$753,519
Not Available	2008	32,807	$1,205,125
Not Available Total		32,807	$1,205,125
Montgomery County Total		6,910,141	$147,184,106

Source: General Services Administration, NCR Space Inventory and NCR Lease Inventory, January 2004.
Montgomery County Department of Park and Planning, Research and Technology Center.

Comparison of General Services Administration Leased Space by Area
March 2003 and January 2004
Montgomery County, Maryland

Area	January 2004 Rentable Sq. Ft.	March 2003 Rentable Sq. Ft.	Change Sq. Ft.	Percent Change
Bethesda	1,063,353	1,041,109	22,244	2.1%
Gaithersburg	391,494	450,245	(58,751)	-13.0%
Germantown	228,175	228,175	0	0.0%
Rockville	3,915,543	3,743,302	172,241	4.6%
Silver Spring	1,267,279	1,239,464	27,815	2.2%
Wheaton	44,297	44,297	0	0.0%
Montgomery County Total	6,910,141	6,746,592	163,549	2.4%

General Services Administration Leased Space and Annual Rent by Area
January 2004
Montgomery County, Maryland

Area	January 2004 Rentable Sq. Ft.	Percent of Total	January 2004 Annual Rent	Percent of Total
Rockville	3,915,543	56.7%	$82,165,466	55.8%
Silver Spring	1,267,279	18.3%	$30,042,971	20.4%
Bethesda	1,063,353	15.4%	$26,199,384	17.8%
Gaithersburg	391,494	5.7%	$4,318,447	2.9%
Germantown	228,175	3.3%	$3,732,387	2.5%
Wheaton	44,297	0.6%	$725,450	0.5%
Montgomery County Total	6,910,141	100.0%	$147,184,106	100.0%

Rockville includes most of North Bethesda.

Source: General Services Administration, NCR Space Inventory and NCR Lease Inventory, January 2004.
Montgomery County Department of Park and Planning, Research and Technology Center.

General Service Administration's Lease Expirations
by Expiration Year, Rentable Space, and Annual Rent
Montgomery County, Maryland

Year Lease Expires	January 2004 Rentable Sq. Ft.	Percent of Total	Cumulative Percent	January 2004 Annual Rent	Percent of Total	Cumulative Percent
2003	68,461	1.0%	1.0%	$1,171,794	0.8%	0.8%
2004	814,833	11.8%	12.8%	$14,694,843	10.0%	10.8%
2005	1,211,513	17.5%	30.3%	$22,651,196	15.4%	26.2%
2006	200,895	2.9%	33.2%	$4,001,686	2.7%	28.9%
2007	313,689	4.5%	37.8%	$6,496,629	4.4%	33.3%
2008	388,140	5.6%	43.4%	$10,461,954	7.1%	40.4%
2009	588,140	8.5%	51.9%	$16,909,582	11.5%	51.9%
2010	1,593,125	23.1%	74.9%	$26,260,355	17.8%	69.7%
2011	163,060	2.4%	77.3%	$4,777,080	3.2%	73.0%
2012	18,690	0.3%	77.6%	$509,620	0.3%	73.3%
2013	1,549,595	22.4%	100.0%	$39,249,365	26.7%	100.0%
Total	6,910,141	100.0%		$147,184,106	100.0%	

Source: General Services Administration, NCR Space Inventory and NCR Lease Inventory, January 2004.
Montgomery County Department of Park and Planning, Research and Technology Center.

Appendix 3

Association Study Tables

Montgomery County's Associations: Number of Associations by Location

Tabulated by Type and Submarket

Submarket	Business/ Trade	Technology-Related	Health/ Medical	Legal	Education	Total
Bethesda	29	19	68	4	1	121
Chevy Chase	5	1	6	0	3	15
Clarksburg	0	0	1	0	0	1
Damascus	0	0	0	0	0	0
Darnestown	0	0	0	0	0	0
Gaithersburg	4	8	7	2	0	21
Germantown	1	0	3	0	1	5
Kensington	3	0	6	0	0	9
Olney	0	0	0	0	1	1
Poolesville	1	0	0	1	0	2
Potomac	2	1	0	0	0	3
Rockville	9	3	34	4	2	52
Silver Spring	19	9	18	5	7	58
Wheaton	0	0	0	0	2	2
Takoma Park	0	2	1	0	0	3
Total	***73***	***43***	***144***	***16***	***17***	***293***

Source: Associations Unlimited Directory. Number is different than "establishments" figure shown on previous page which is an approximation since federal and state data is not reported for associations.

The Association Industry: Comparative Statistics About Jobs, Establishments and Earnings

ASSOCIATION JOBS

TOTAL	1997	1998	1999	2000	2001	2002
Montgomery County	2,600	2,831	3,021	3,118	3,263	3,349
Maryland	7,510	7,483	8,026	8,357	8,799	9,087
Washington D.C. Region	40,306	41,107	42,849	45,512	45,433	44,925
United States	388,332	395,626	406,858	417,524	424,672	428,317

BUSINESS	1997	1998	1999	2000	2001	2002
Montgomery County	669	664	654	684	682	653
Maryland	1,703	1,545	1,522	1,608	1,693	1,811
Washington D.C. Region	18,068	18,002	18,139	18,564	18,309	17,641
United States	107,930	108,867	11,979	114,659	121,232	119,146

PROFESSIONAL	1997	1998	1999	2000	2001	2002
Montgomery County	1,608	1,616	1,806	1,894	1,876	1,937
Maryland	2,506	2,598	3,211	3,357	3,323	3,437
Washington D.C. Region	12,667	13,236	14,804	16,453	16,621	16,699
United States	59,708	61,781	66,021	69,788	69,707	72,333

ASSOCIATION Establishments

TOTAL	1997	1998	1999	2000	2001	2002
Montgomery County	156	182	180	177	225	235
Maryland	864	854	853	752	1,008	1,039
Washington D.C. Region	1,936	1,890	2,068	2,102	2,426	2,346
United States	48,162	48,675	48,835	48,800	57,414	57,853

BUSINESS	1997	1998	1999	2000	2001	2002
Montgomery County	66	65	65	66	72	76
Maryland	260	247	245	254	279	296
Washington D.C. Region	990	997	1,031	1,039	1,042	1,022
United States	16,567	16,631	16,957	17,140	18,957	19,099

PROFESSIONAL	1997	1998	1999	2000	2001	2002
Montgomery County	69	70	74	74	76	75
Maryland	174	181	193	191	190	196
Washington D.C. Region	499	503	532	557	577	591
United States	5,297	5,417	5,641	5,793	5,918	6,166

ASSOCIATION Earnings

TOTAL	1997	1998	1999	2000	2001	2002
Montgomery County	$109,008,000	$125,867,000	$137,314,000	$149,815,000	$159,495,000	$170,928,000
Maryland	$248,147,000	$263,451,000	$296,850,000	$321,759,000	$348,460,000	$379,522,000
Washington D.C. Region	$2,079,261,000	$2,230,199,000	$2,404,423,000	$2,618,136,000	$2,758,303,000	$2,859,969,000
United States	$11,538,990,000	$12,412,843,000	$13,313,026,000	$14,297,123,000	$14,712,023,000	$15,488,417,000

BUSINESS	1997	1998	1999	2000	2001	2002
Montgomery County	$30,399,000	$32,499,000	$33,155,000	$36,340,000	$38,776,000	$38,845,000
Maryland	$65,576,000	$64,446,000	$65,099,000	$72,087,000	$79,138,000	$89,314,000
Washington D.C. Region	$1,060,832,000	$1,127,398,000	$1,187,656,000	$1,248,210,000	$1,337,926,000	$1,356,902,000
United States	$4,145,633,000	$4,383,873,000	$4,707,338,000	$5,005,902,000	$5,468,316,000	$5,632,034,000

PROFESSIONAL	1997	1998	1999	2000	2001	2002
Montgomery County	$68,254,000	$74,835,000	$85,267,000	$93,601,000	$100,285,000	$109,317,000
Maryland	$100,485,000	$111,540,000	$143,680,000	$155,350,000	$165,608,000	$178,516,000
Washington D.C. Region	$586,238,177	$644,311,000	$653,966,000	$852,846,000	$935,440,000	$973,522,000
United States	$2,498,163,000	$2,688,706,000	$2,928,739,000	$3,262,559,000	$3,482,699,000	$3,697,591,000

SOURCE: U.S. Bureau of Labor Statistics. Covered Employment and Wage Series (ES-202)
http://data.bls.gov

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