



**15th Annual
Southern Colorado Economic Forum**

 University of Colorado
Colorado Springs
College of Business


October 14, 2011

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Southern Colorado Economic Forum
University of Colorado at Colorado Springs
College of Business and Administration

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Agenda

- Global and Domestic National Economic Issues
- Challenges for the Colorado Springs Area
- Scenario Analysis
- Employment Effects
- Operation 6035 and Building a Telecomm Cluster
- Forecast

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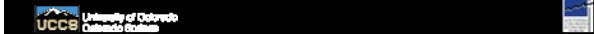
Global Issues

- Revolutions/Unrest Among Arab Nations
 - Oil spikes
- Japan – Earthquake and tsunami
 - Disruption in the supply chain
- The PIGIS
- Basel III
- Dodd-Frank Bill
- Budget Control Act of 2011

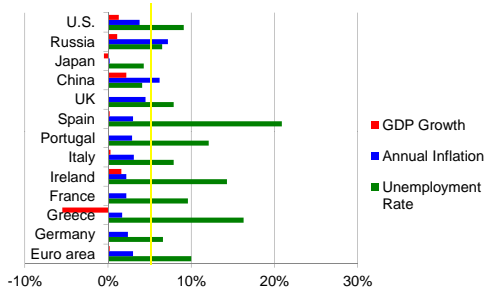
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Weak Domestic and Global Economies

- **Global Indicators**
 - Inflation
 - Unemployment Rates
 - GDP
- **Domestic Indicators**
 - Purchasing Managers Index
 - Durable Goods
 - Unemployment Rate
 - S&P 500
 - GDP

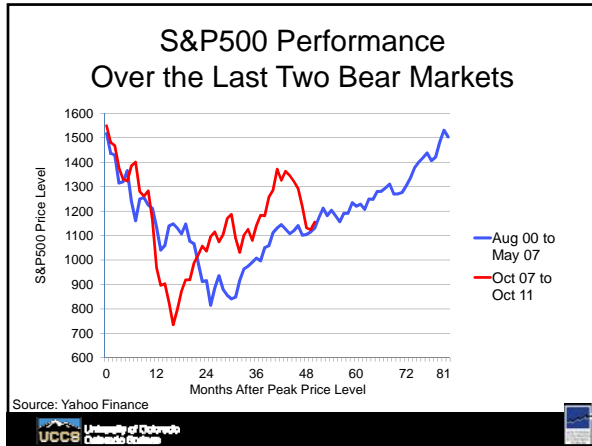


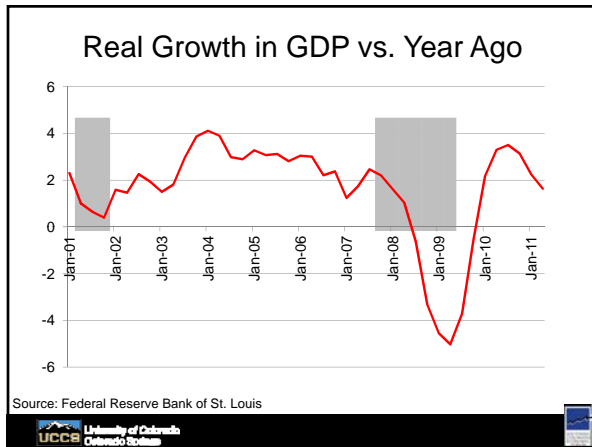
Key Indicators by Country and Region

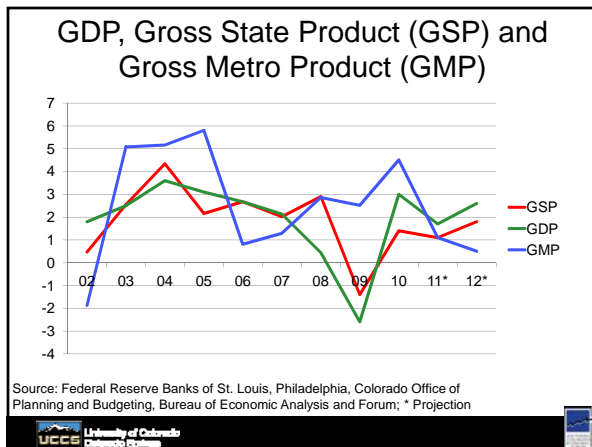


U.S. Indicators







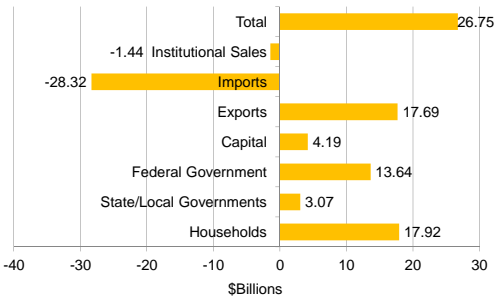


Challenges in the Colorado Springs Area

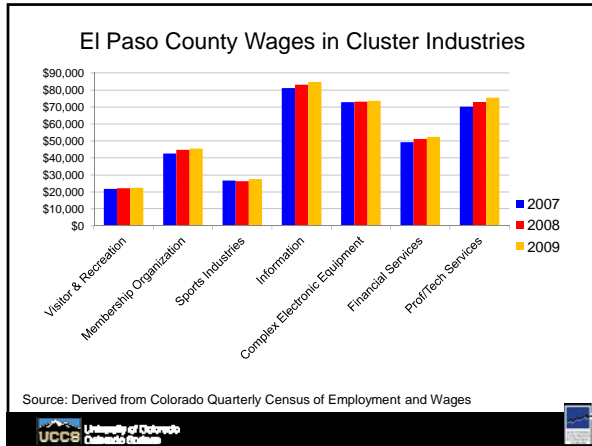
- Gross Metropolitan Product
- Federal Expenditures
- Military
- Primary Employers
- Employment and Income Trends
- Sales and Use Taxes
- Employment and Population Projections
- Housing

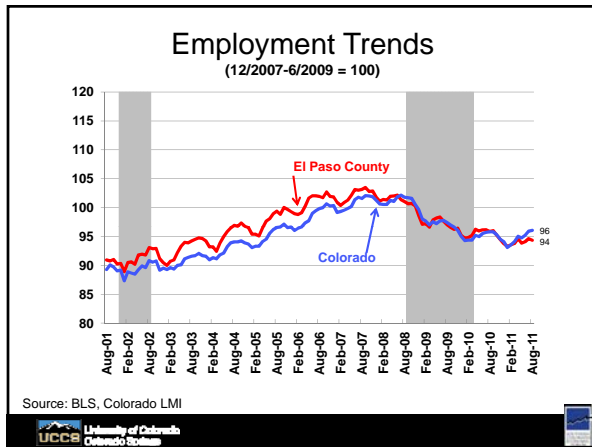
- A Closer Look at GMP
- Military
- Primary Employers
- Income
- Sales Tax Collections
- Employment & Population Projections

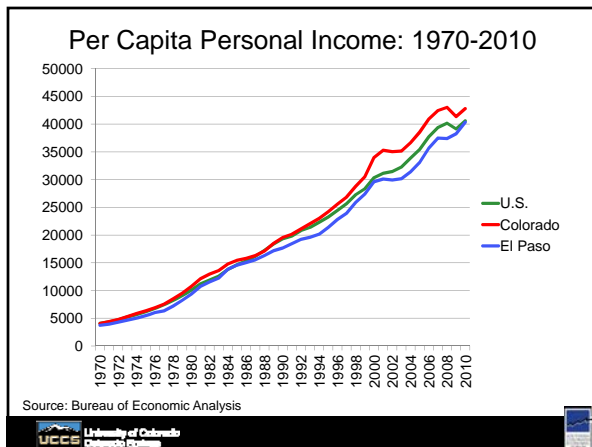
Colorado Springs MSA: GMP Final Demand Share (2008)

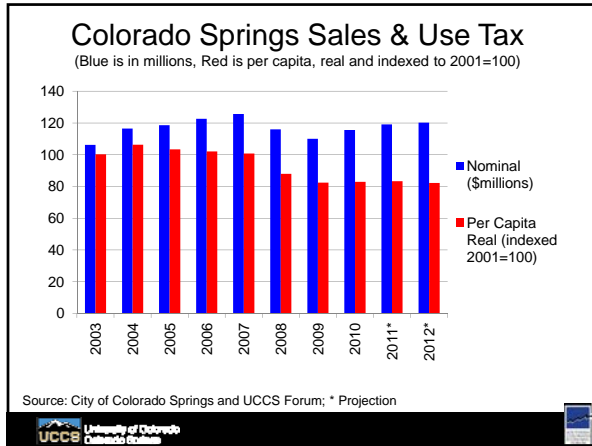


Source: Implan and UCCS Forum

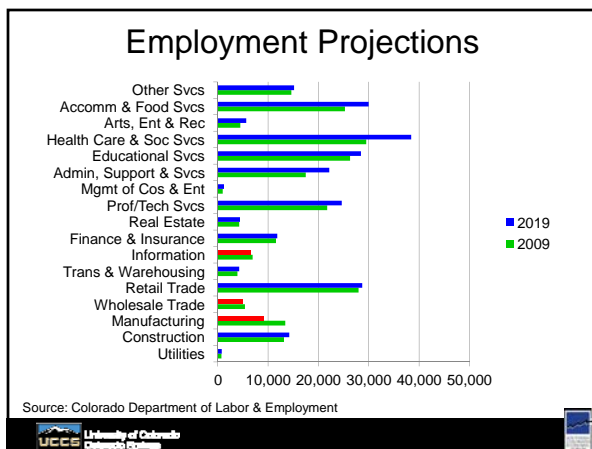




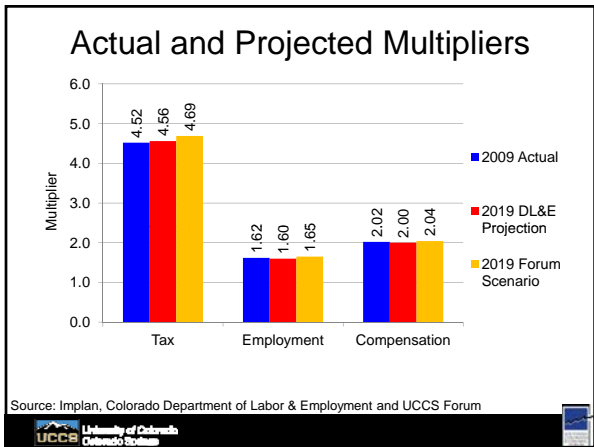


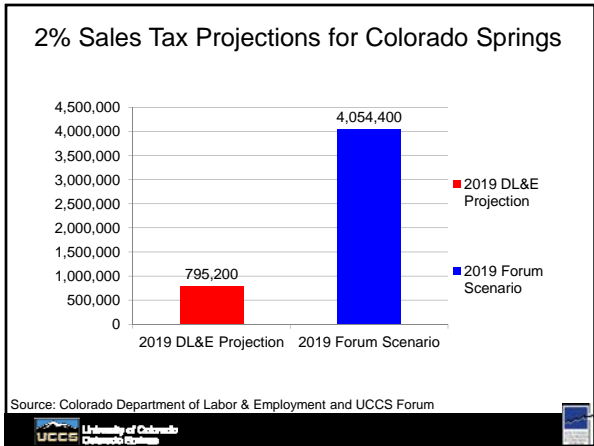


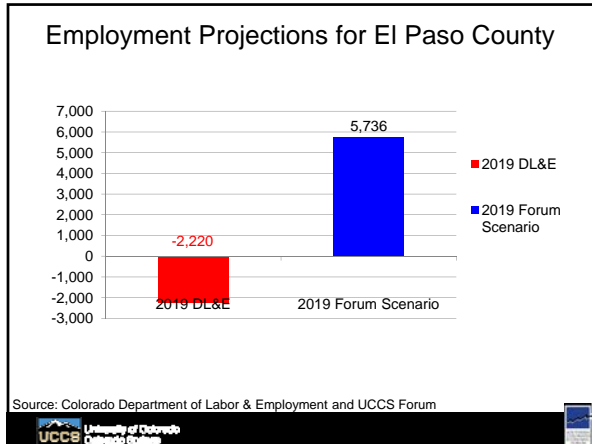
- Population and Employment Projections
 - Multipliers
- UCCS University of Colorado Colorado Springs

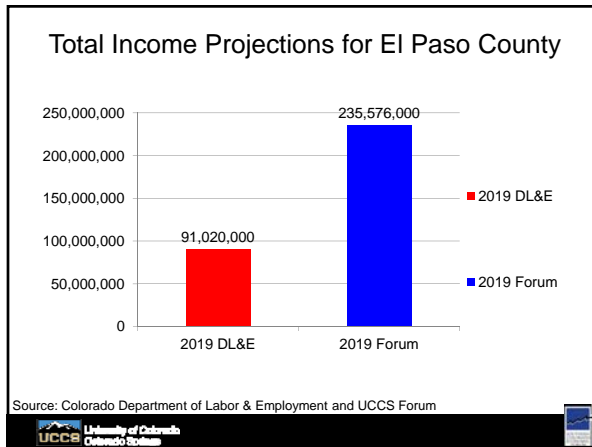


Scenario Analysis

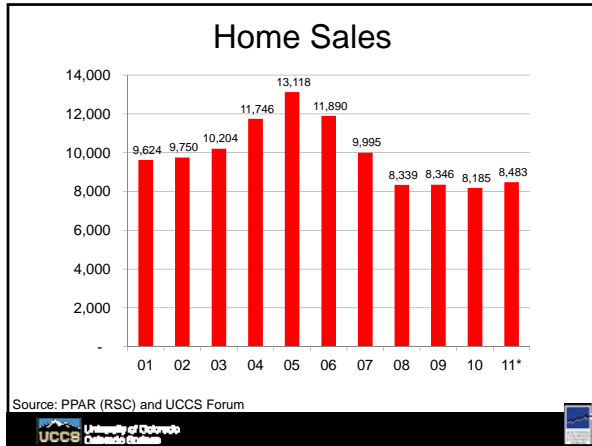


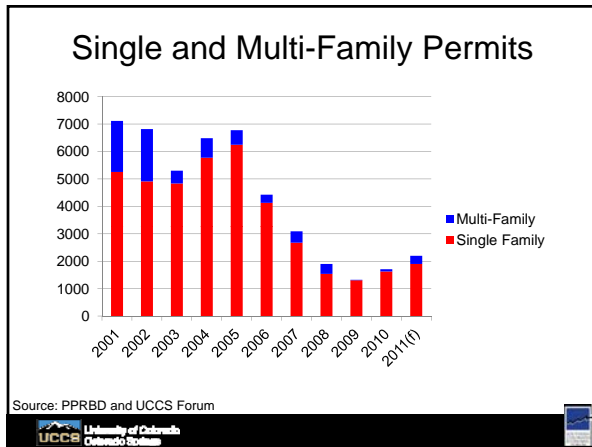


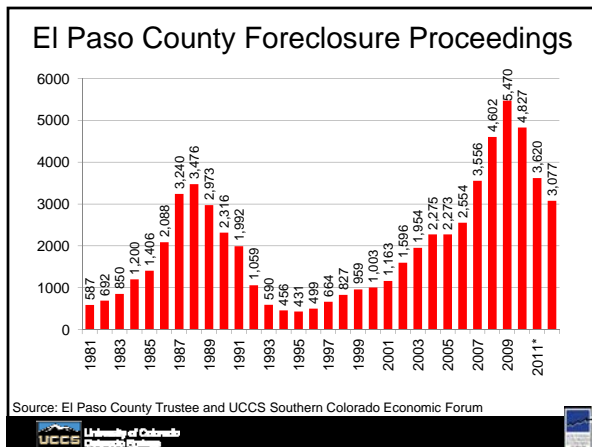


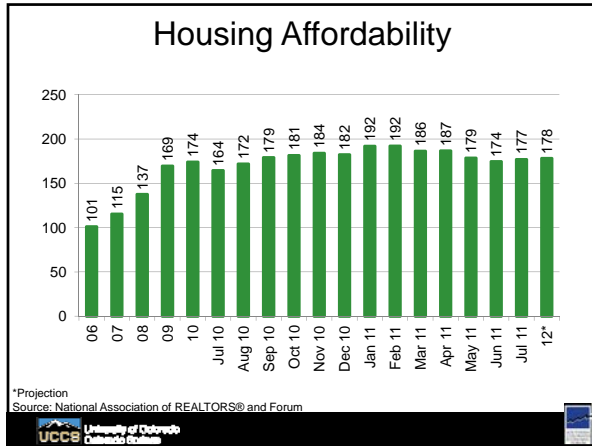


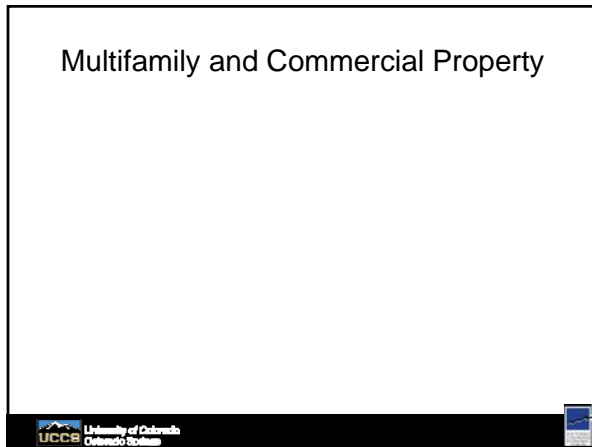
- ### Employment and Its Effects
- Employment and Income
 - Employment and Its Effects on Housing
 - Macro and Micro Perspectives
 - The Recovery
 - Operation 6035
 - Cluster Development
- UCCS University of Colorado Colorado Springs

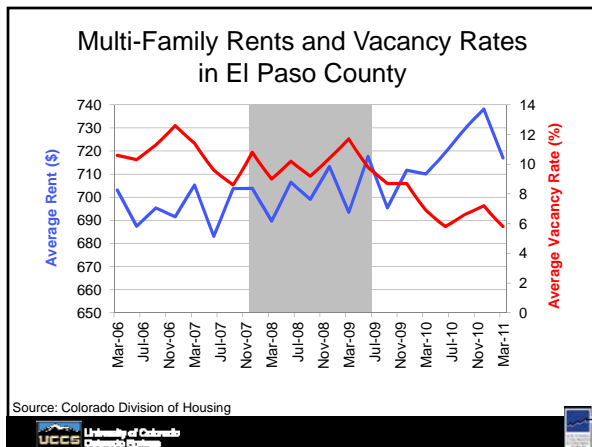


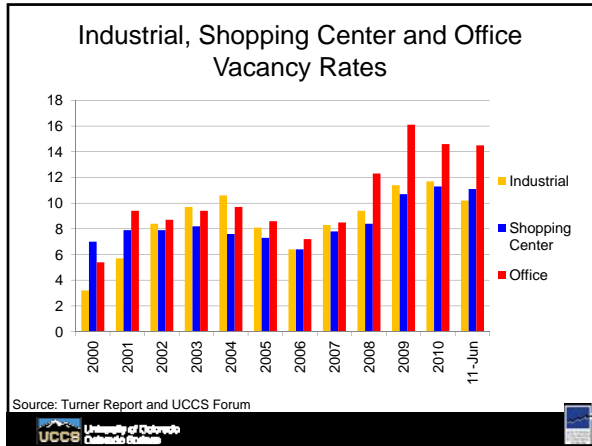


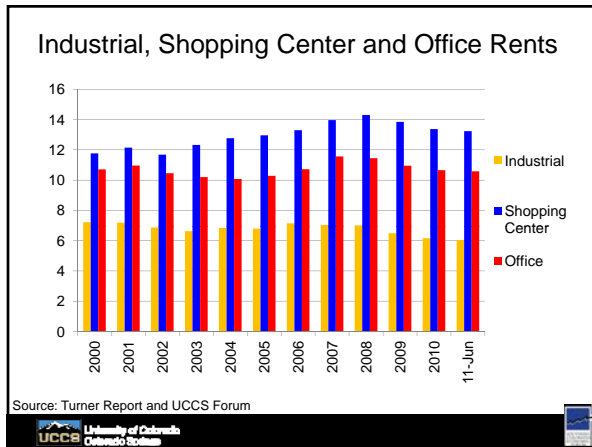






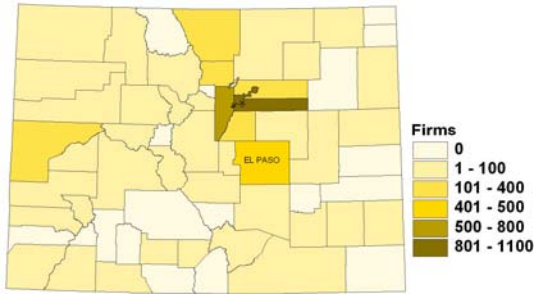






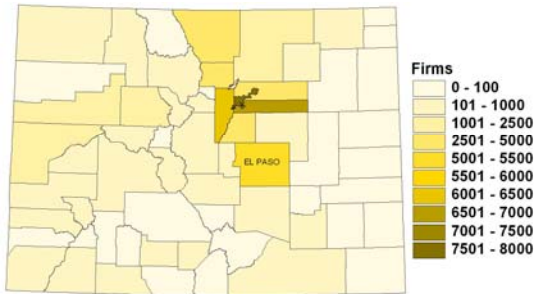
- ### Operation 6035 – Key Sectors
- Aerospace, defense and homeland security
 - Software and information technology
 - Renewable energy and energy efficiency
 - Sports and related industries
 - Emerging industries, entrepreneurs
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Telecomm Inputs in Colorado (2008)



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Telecomm Users in Colorado (2008)



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Telecommunications Cluster Summary

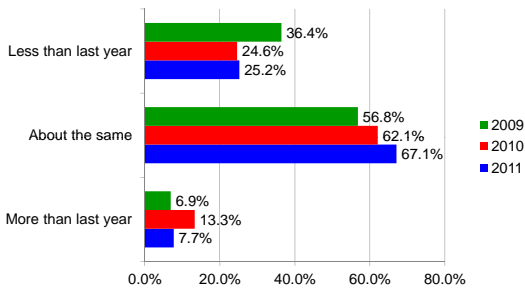
- Comparative Advantage
- Higher Multiplier Benefits (Employment, Income and Taxes)
- El Paso County has a core component of Operation 6035 sectors
- Successful cluster development may require regional efforts
- Trade missions to neighboring communities in Colorado can identify suppliers and end users

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Forecast

- A global recession is likely, led by Europe
- The U.S. is less likely to be as adversely affected as the 12/2007-06/2009 recession
- El Paso County should be only modestly affected, provided the troops at Fort Carson are not deployed in 2012.

Holiday Spending Plans



Source: Results prepared by Dr. Sam White

Projections for El Paso County (%)

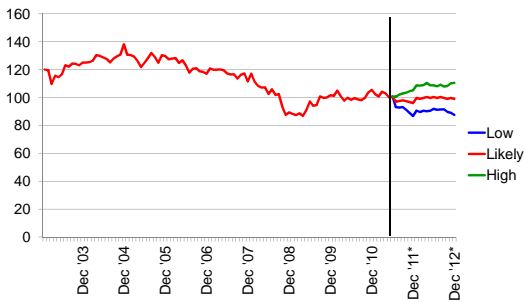
	2011	2012
Population Growth	1.5	1.3
Unemployment Rate	9.6	9.4
Non-Agricultural Employment	-1.5	-0.5
Total Wages and Salaries	-0.5	0.5
Average Wages and Salaries	1.0	1.0

Projections for El Paso County (%)

	2011	2012
Personal Income	1.0	1.1
Per Capita Personal Income	0.5	0.8
Retail Trade	2.5	1.5
Single Family Housing Permits	-5.0	2.0
Non-Residential Construction	67.1	0.0

Business Conditions Index (BCI)

December 2007-June 2009 = 100



Source: Southern Colorado Economic Forum

Thank You
