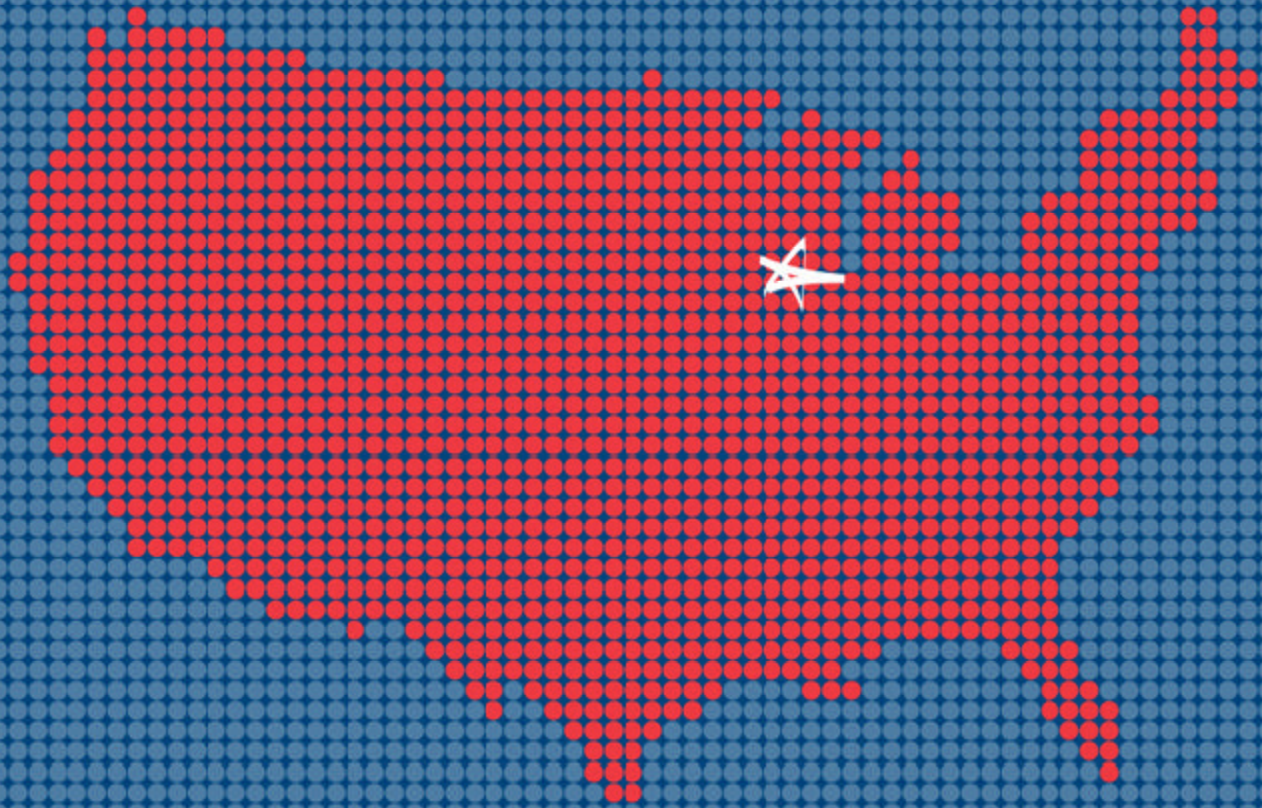


Labor Availability Report

Prepared by The Pathfinders

January, 2007



Rockford
ILLINOIS ✈ USA

ROCKFORD AREA ECONOMIC DEVELOPMENT COUNCIL

The area has 65,500 available workers for new or expanding businesses

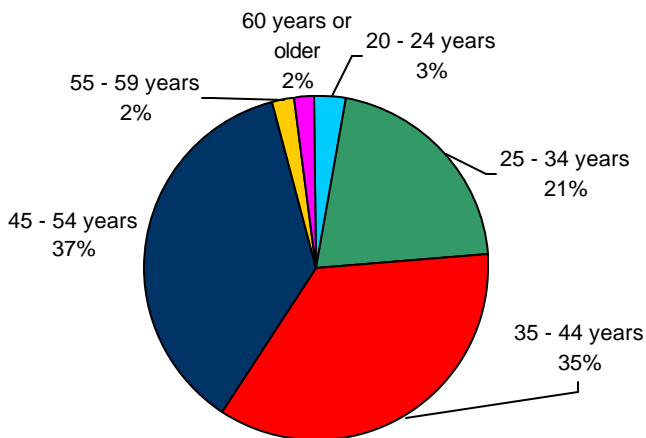
The Pathfinders, a site selection consulting group headquartered in Dallas, Texas, were retained to assess the workforce of the Rockford area and to quantify the extent to which underemployment -- the situation in which individuals are working but desire better jobs and appear to possess the skills, education and experience to qualify them for better jobs -- exists in the area, as well as to document the cost, skills, experience, and education of that hidden workforce. This report represents the objective and professional view of The Pathfinders with regard to workforce availability, cost, skills, and quality that a new employer can expect in the Boone and Winnebago Counties region.

- The Boone and Winnebago Counties area labor shed has a household population of approximately 807,300.
- The civilian labor force numbers approximately 434,800
- The labor shed contains approximately 16,800 unemployed people who are actively seeking work
- Approximately 42,600 in the area can be classified as "underemployed"
- In addition, 2,500 persons are not working but would consider re-entering the workforce.

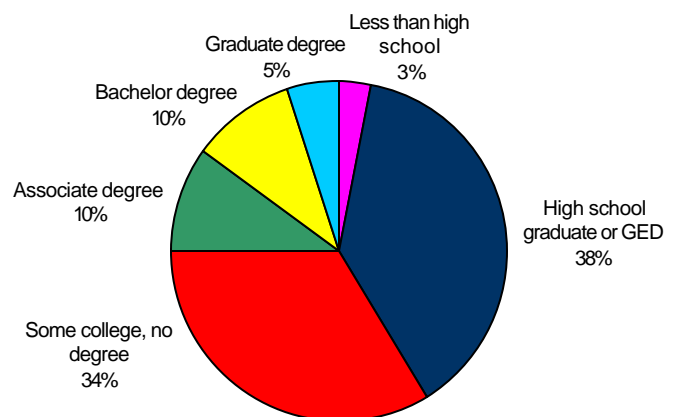
In total, 65,500 workers are available for employers

Characteristics of the Underemployed

Age of Underemployed

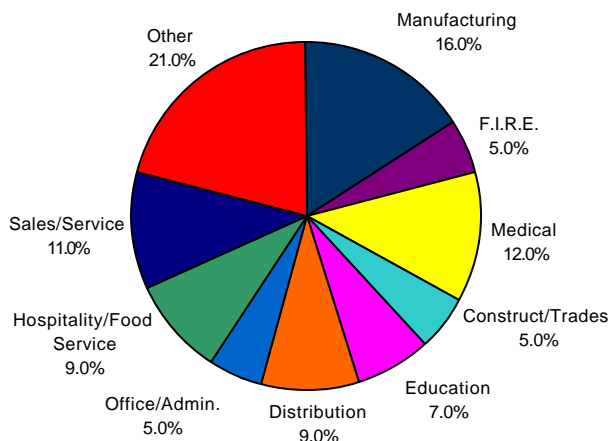


Educational Attainment of Underemployed

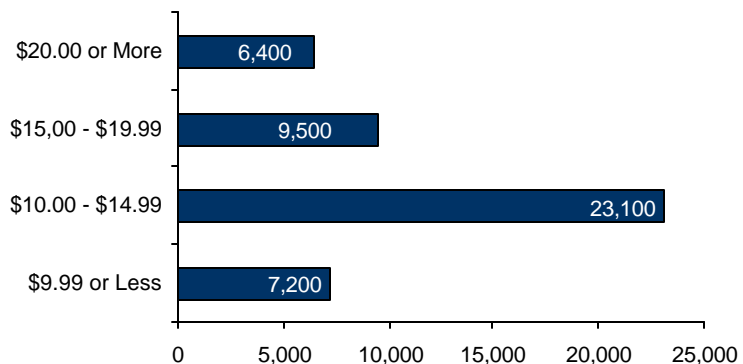


46,200 individuals are underemployed

Current Sector of Employment



Desired Wage Rates Per Hour by Range



Experience and Skills

The experience and skills categories used in this report are designed to provide accurate workforce data for employers which fall into one or more of the following four broad groups:

- Manufacturing, assembly, fabrication or other industrial operations;
- Back office, data processing, call centers, information technology, customer service or sales operations;
- Distribution or transportation operations; and,
- Biotechnology, pharmaceuticals or medical research operations.

Skills*	Number of Persons	Percentage
Office operations	33,300	72%
Warehouse/Material Handling	28,600	62%
Manufacturing/Assembly/Fabrication	26,300	57%
Medical/Health Sciences	15,200	33%
Maintenance/Installation/Repair	15,200	33%
Technician/Quality Assurance	13,400	29%
Information Technology	12,900	28%
Telecommunications	12,000	26%
Electronics/Engineering	6,500	14%

*Individuals polled may have skills in more than one job classification.

2,500 currently not employed would consider re-entering the workforce

Factors Affecting Job Desirability

Respondents were asked to rank factors by order of importance. Low ranking does not mean the underemployed consider the factor to be unimportant when evaluating new job opportunities.

Factor	Extremely Important
Financial Stability of the Company	76%
Insurance Benefits	60%
Paid Sick Leave & Holidays	53%
Retirement Benefits	52%
Salary	50%
Opportunity for Advancement	50%
Physical Working Environment	36%
Reputation of the Company	36%
Paid Training Programs	33%
Flexible Work Schedule	29%
Location	24%
On-Site Child Care	2%
Size of the Company	2%

Characteristics of the Unemployed

- 30% of the 16,800 currently unemployed are male
- The group is two years younger on average than the underemployed
- Approximately 11% have two-year degrees of higher
- The largest sector of recent employment was manufacturing
- Their median most recent pay rate was \$11.02 per hour
- The median desired pay rate is \$10.34 per hour
- The skills of the group exceeds the underemployed in manufacturing and telecommunications and approximate the underemployed in information technology

Current Employers' Rating of Workforce

Category	Excellent	Good	Fair	Poor
Availability of Skilled Workers	3%	40%	30%	27%
Availability of Unskilled Workers	21%	58%	21%	0%
Availability of Professional Workers	0%	49%	36%	15%
Availability of Technical Workers	3%	42%	42%	13%
Worker Productivity	9%	82%	9%	0%
Worker Reliability	11%	80%	6%	3%
Worker Attitudes	3%	85%	9%	3%
Reading Competency	0%	76%	21%	3%
Writing Competency	0%	70%	27%	3%
Calculations Competency	3%	72%	19%	6%
Teamwork Skills	9%	70%	21%	0%
Entry Level Skills	0%	62%	24%	14%

While the shortage of skilled and technical workers is a common complaint, it must be viewed from the perspective of comparative availability when other areas are considered. Skilled and technical workers are in great demand and difficult to find in the vast majority of locations.