From Crisis to Opportunity: Plugging the Leaks and Growing Local Ownership and Economic Development

Clinton County, OH

Chris Schock and Taylor Stuckert
Economic Storm Batters Ohio Town

By CBSNews

Watch the Segment »

Web Extras
A Town in Crisis
The Line

When President Obama spoke of "the winter of our hardship" in his inaugural address, no one in America understood that better than the folks 60 Minutes met in Wilmington, Ohio. They're people in the grip of a brutal series of layoffs at DHL, the shipping company. Their experience was part of the news this past week that new claims for unemployment benefits are the highest in 26 years.

Since the economic crash of 2008, taxpayers have committed to more than $1 trillion in various bailouts of Wall Street. But not much of that is reaching families in crisis. On kitchen tables, headlines from Washington and New York lie beside unpaid tuition bills and foreclosure notices. After all the speeches and parties of Inauguration Day, what were the families in Wilmington asking?

"Are we going to lose our home? Are we going to be able to pay our property taxes? What are we gonna do for insurance? What are we gonna do for food? You know, and these are questions that you'd never think that we'd ask yourself. And now they're discussions in the home," says Mike O'Macheary, who is losing the job that helped support four children and a grandson.

"They always say that God closes a door, he opens another one. And we have faith that he will," he adds.

Faith is what sustains Wilmington now. Settled by Quakers 200 years ago, it's a community with such an all-American look that it seems like a movie set. About 12,000 people live there. And many, like O'Macheary, work in the last industry you'd expect in a laid back town.

In 1980, Airborne Express turned Wilmington's abandoned Air Force base into a hub for overnight shipping. Eight thousand people found work at what they call "the air park." Then, in 2003 a German company, DHL, bought Airborne in an effort to win a big piece of the U.S. market. It didn't work. The merger was rocky, there were service disruptions, and customers left in droves. With last fall's economic crash, DHL was losing $6 million a day in the U.S., layoffs started coming by the hundreds.

People who worked there for decades found themselves in DHL-sponsored meetings learning about unemployment.
<table>
<thead>
<tr>
<th>Principal Items</th>
<th>Description</th>
<th>Annual Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payroll</td>
<td>ABX Air, DHL, ASTAR, US Customers and other air park</td>
<td>$257,100,000</td>
</tr>
<tr>
<td>City of Wilmington</td>
<td>1% income tax</td>
<td>$2,571,000</td>
</tr>
<tr>
<td>Clinton County</td>
<td>Sales tax revenue</td>
<td>$1,600,000</td>
</tr>
<tr>
<td>Wilmington Public Schools</td>
<td>1% income tax</td>
<td>$562,500</td>
</tr>
<tr>
<td>Local Business</td>
<td>Includes area business impact</td>
<td>$160,000,000</td>
</tr>
<tr>
<td>Employee health coverage</td>
<td>Estimate based upon current benefits</td>
<td>$63,000.000</td>
</tr>
</tbody>
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**TOTAL Economic Impact (estimated)**  $421,896,500
$1.45 billion
estimate of GDP in Clinton County

30%
share of GDP attributed to DHL
10,200 employment at DHL & Airpark

32,800 employment in Clinton County

1 in 3 jobs in Clinton County
"...is much like a hungry man who is unable to digest the feast before him, but in despair, cries for more."

-H.H. Haworth,
Wilmington, OH (1966)
WHY HAVE BEEN CLINTON COUNTY’S ISSUES?

- LOSS OF MAJOR EMPLOYER
- HOMOGENEOUS ECONOMY
- BRAIN DRAIN
- IDENTITY/VISION
Plugging the Leaks

Local Response
WEALTH FLOWING IN

WEALTH FLOWING OUT
Wealth Inflow

- Income from non-local businesses
- Gov’t $
- Tourists
- New development/sprawl

Wealth Outflow

- Box big/chain stores
- On-line shopping
- The mall
- Energy
- Food
- Loss of business diversity
Today
Plugging the Leaks

Local Business
Local Food
Local Energy
Local Visioning
Local People
Plugging the Leaks

Local Business
For every $100 spent:

$68 stays in the local economy when spent at a locally owned business

$43 stays in the local economy when spent at a big box/chain store

Civic Economics, 2008
September Events

from Buy Local First

Romantic Movie Challenge
9/1/2010 - 10/28/2010 |
Location: Facebook & First Choice Video, 1683 Romback Ave., Wilmington

Romantic Endeavors partners with First Choice Video to offer a Romantic Movie Challenge. FREE to play - Join us on Facebook. 15 movies in all - 18 price packs to win! Answer questions each day to be entered. Watch for bonus questions too.

Community Blood Drive
9/2/2010 | 12:00 p.m. - 6:00 p.m.
Location: Continental Manor Nursing and Rehabilitation Center, 820 E. Center Street, Blanchester

Upcoming Blood Drive hosted by Continental Manor Nursing and Rehabilitation Center, 820 E. Center Street, Blanchester. To sign up to give blood, contact Mary Davis or Teresa Pratt at 937-763-4940. Blood donors save lives. Who will you save?

Mudder's Day Mud Run & 50% Off Car Wash Session
50% Off Car Wash Session
Blanchester

Sams Meats

Introducing...Sams Meats

By MAREEH TURALIRTH

Wilmington News Journal

Sams Meats 1209 W. Lucus St., Wilmington, began as a dream of the Sams family in 2001 when Kenny Seeger of Seeger Meats decided to sell his business. Sherril Sams Calliot had worked at Seeger's...
How has it changed?

45% reported that “buying local was important to them 5 years ago...”

96% reported that “buying local is important to them today.”
Clinton County’s Buy Local promotions, like the holiday campaign promoting local merchants, appear to provide sales lifts for participants versus non-participants in same categories.

**Observations**

- In comparing Clinton County customer sales pre versus post campaign periods, the participating merchants (2009-2011) appear to generate a net incremental sales lift and residual lifts versus non-participating merchants in the same categories for the campaign and post-campaign periods.
- For participating merchants, there also appears to be a lift in their general response rates (number of tickets) and sales above the $25 minimum entry point which does comprise a sizable proportion of their sales.

<table>
<thead>
<tr>
<th>Participating Merchants</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
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<tbody>
<tr>
<td>% Tickets &gt; $25</td>
<td>50%</td>
<td>40%</td>
<td>41%</td>
</tr>
<tr>
<td>% Sales $ &gt; $25</td>
<td>72%</td>
<td>49%</td>
<td>60%</td>
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**Notes:**

* See appendix for list of participating merchants in 2009-2011.
** Response identified when card purchase > $25 at participating merchant during period.
‘Raising the minimum’ on local spend could be worth $8–18 million/year in incremental sales.

If the least local-spending of Clinton County households were induced to shift even 5-10% of their existing spend to CC merchants, this would translate to $8MM - $18MM in incremental sales within county.

Note: Opportunity based on Chase estimated total wallet models (all purchases) for Clinton County Chase customers grossed-up to reflect total county spend. New floor calculated as the total annual spend $ for each % shift in-county for Clinton County customers.
Plugging the Leaks

Local Food
Expand reach of value-added producers throughout Clinton County.

Aggregate production in Clinton County to better serve demand for “local produce” regionally.
Plugging the Leaks

Local Visioning
Historic examples in Clinton County

1918-1928
“...that’s not an investment, that’s a monument.”

--Charles Murphy
A New Modern Community Hotel for Wilmington

To provide hospitality for the traveler; to furnish a proper setting for social gatherings; to place the city on a par with the most progressive communities, Wilmington is building a New Hotel.
BEFORE, THE BUILT ENVIRONMENT WAS...

COMMUNITY FOCUSED

BOLD, INNOVATIVE

IDENTITY/VISION
Imagine the bright future of Clinton County, Ohio

A project of

Energize Clinton County

and the

Clinton County Regional Planning Commission

Recent Work

Clinton County Youth Council
Design

General Denver Micro Brewery
Architecture

Tolliver Fields
Planning

Stuckey Farm Park
Architecture, Planning
Plugging the Leaks

Local Energy
dropoly
play for real green.
SAVE CASH WITH OUR ENERGY SMART RECOMMENDATIONS

Dropoly makes it easy to reduce your energy usage, save money, and keep it fun!
Ever wonder how your energy bills can be so high? Dropoly makes finding out simple, interesting, and fun.

Try Dropoly Today

WHAT IS DROPOLY?

Dropoly is a fun and interactive energy savings tool. Find how out how much you can save this month by playing the game, and compete with friends and neighbors for prizes. And, it’s free!

YOUR ALL-IN-ONE POWER PLAN

Keep track of your utility bills, your energy upgrades, and your to-do list on Dropoly. We’ll remind you when that next bill is coming around, and help you track your progress.

DROPOLY MAKES ENERGY EFFICIENCY SIMPLE

Energy efficiency changes should be easy and cost-effective. Dropoly helps you prioritize upgrades by cost and payback, so that you are getting the most out of your investment. And, over half of the recommendations are completely free.
Plugging the Leaks

Local People
1970-2010: % of Wilmington Pop. >25 with Bachelor+ Degree

Graph showing the percentage of population aged 25 and over with a Bachelor's degree or higher in Wilmington and Ohio from 1970 to 2010.
Clinton Community Fellows Program

Five Years  20 Fellows

Over 8,000 Hours  56 Matches
WILMINGTON SUCCEEDS

www.wilmingtonsucceeds.com