

## FOR IMMEDIATE RELEASE

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### EDC REPORTS ON COUNTY SALES HISTORY

(Davenport, WA, June 9, 2012.) Students from Gonzaga University's MBA program recently provided the Lincoln County Economic Development Council with an outstanding statistical analysis of our retail sales history. The results of their study are positive.

The students used two different resources for their analysis. The Washington State Retail Survey, a compilation of data from the Department of Revenue published by the Eureka Group of California, was used to analyze retail transactions subject to state sales tax. The USDA Census of Agriculture was used to account for commodities. Here is a sample of their findings:

- As of 2007, the most recent year for which complete data is available for agriculture, Lincoln County experienced a combined retail and ag economy of approximately \$153.4M. The major components are grain production (\$106.1M or 69%), retail sales (\$27.2M or 18%), and livestock (\$8.5M or 5.5%).
- By 2010, retail sales in Lincoln County totaled \$31.4M and 2011 sales are expected to report at \$32M. This reflects a five-year growth calculated at 3.2%. Washington State only enjoyed growth at 0.6% for the same period.
- When statewide retail sales figures are considered, the numbers indicate that residents make slightly less than 50% of their purchases in Lincoln County, *but local buying is growing*.
- Using the period of 2000-2010 as the projection data, 2012 retail sales of \$31.5 million are forecast with \$32.1 million forecast for 2013.
- If we assume that the agricultural portion of Lincoln County's economy will grow at the same rate, (3.2% through 2010 and 2% thereafter), the County should see a total economy of approximately \$175.8 million in 2012 and \$179.3 million in 2013 - an increase in revenue that out performs the urban counties and the State.

One puzzling piece of information found in the 2004 Dept. of Revenue data was a \$9.5 million loss in sales of Food and Beverages in Davenport. A similar loss was not found in other communities in Lincoln County nor in communities in neighboring counties. The two simplest explanations are 1) the data is wrong; or 2) something happened in 2004 to permanently decrease shopping in Davenport.

When this loss was revealed, first thoughts went to Walmart. However, the Airway Heights Walmart opened in 2007, not 2004. When a logical explanation could not be found, the Eureka Group was contacted. They confirmed that the Dept. of Revenue data did include the \$9.5 million loss and agreed it was unusual. Eureka suspects a miss-coding situation was found and corrected in 2003. They suggest the department be contacted and asked to review the tax returns for that period.

When sales data is reviewed surrounding Walmart's opening in 2007, Davenport's Food and Beverage sales actually remained quite consistent:

<b>YEAR</b>	2006	2007	2008	2009	2010	2011*
<b>RETAIL SALES</b>	\$2,131,000	\$2,244,000	\$2,255,000	\$2,241,000	\$2,280,000	\$2,299,000

\* Projected by the Eureka Group.

### **NEXT STEP IN THE CEDS PROCESS: GOALS & OBJECTIVES**

The Lincoln County Economic Development Council continues to engage area universities in the creation of the County's economic development plan. The next step is Goals & Objectives, using the results of the countywide SWOT survey as the foundation. This was the final project for another group of university students – this time a Local Economic Development class at EWU. The students studied the Strengths, Weaknesses, Opportunities and Threats identified in the survey. Their neutrality to our issues has resulted in some excellent and outside-the-box suggestions for the EDC to consider. Stay tuned!