

# Escondido Business Walk

September 24, 2015



## Escondido Business Walk

Economic development is a top priority for the City of Escondido. Our business retention and expansion strategy includes building and maintaining strong lines of communication between business leaders and city officials.

To enhance that communication, the City of Escondido partners with the Escondido Chamber of Commerce to hold an annual Business Walk.

### Event Summary

The Escondido Business Walk was held on September 24, 2015 from 9 a.m.– 1 p.m. 21 volunteers comprised of City and Chamber representatives participated. In pairs, these volunteers visited 41 businesses with the purpose of conducting a brief survey of business retention and expansion related questions. Each business was mailed a letter in advance of the event, notifying them that volunteers would be visiting and conducting brief surveys.

The survey included questions covering topics such as whether the business anticipated an increase in growth or hiring, whether they conducted business internationally, what obstacles might be impeding their progress and how the City and Chamber could better help them succeed.

### Methodology

Businesses were chosen to be included in the 2015 Business Walk based on several factors:

- Special focus was placed on businesses located in Escondido’s industrial area and Class A office buildings.
- Specific industries targeted included professional services, precision manufacturing and research and development.
- Businesses visited during the 2014 Escondido Business Walk were excluded
- Businesses in the retail and hospitality industries (i.e. shops, restaurants) were not included.

### A Deeper Dive into Escondido’s Business Environment

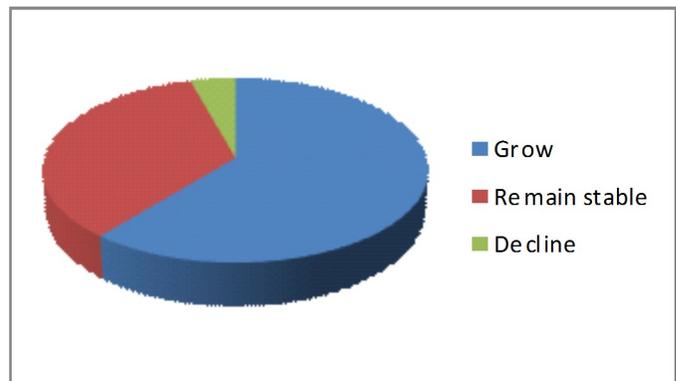
Taking a “deeper dive” into Escondido’s business environment by focusing on the specific aforementioned criteria resulted in fewer businesses visited and fewer completed surveys than in 2014 (22 completed surveys this year as compared to 52 in 2014). Many businesses selected to be visited were unavailable at the time of the volunteer visit.

However, extremely valuable information was collected from the businesses that were visited. This included a manufacturing business on the brink of expansion in need of site selection assistance and another business interested in funding a major philanthropic project in the community.

### Survey Results

The results of the surveys were once again overwhelmingly positive. As in 2014, the majority of the businesses surveyed (60.8 percent) expect to grow during the next three years and 34.7 percent expect to remain stable. Only one business expected to see a decline in revenue and employee size.

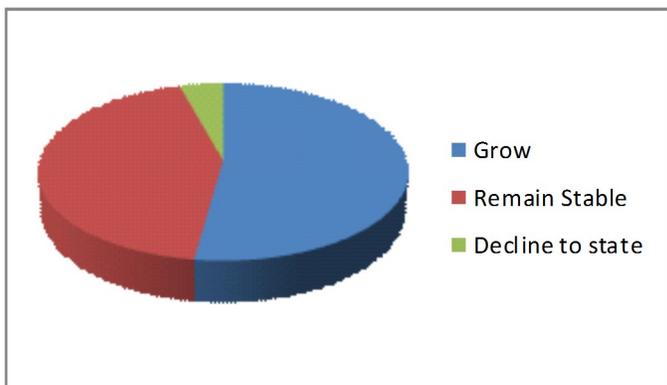
#### Anticipated GROWTH over the next three years:



These results support the City’s continued efforts to provide businesses with expansion assistance such as site selection, consultation on the development process and connections to workforce resources. Additionally, the Chamber of Commerce can assist expanding businesses with marketing efforts and opportunities to become more involved in the community.

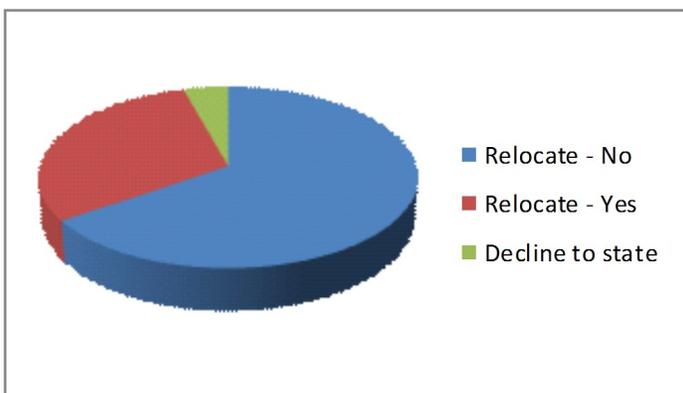
52 percent of the businesses surveyed expect their workforce to grow over the next three years (up slightly from 2014), and 43 percent expect their workforce to remain stable.

**Anticipated HIRING over the next three years:**



The surveys also asked whether the company planned to relocate. 65 percent of businesses responded that they have no plans to relocate. Of the 30.4 percent of businesses who responded that they have plans to relocate, the majority will be moving to new locations within the city. A few responded that they are planning to leave Escondido, and the reasons vary. One company planning to move out of state cited high taxes as their reason for leaving. Another company would stay in Escondido if they could find suitable space to expand into, but vacancy rates are low in our industrial area. City staff members have reached out to this company to provide site selection assistance and will continue to work with “at risk” companies to at least keep them on the 78 Corridor.

**Plans to relocate business:**



There was an increase from 2014 in businesses planning to relocate (either to a different site within Escondido or outside the city/state). This could be attributed to an improving economy enabling companies to expand.

The challenge for one company to find suitable industrial space in which to expand in Escondido is something to consider. Vacancy rates in our industrial area is extremely low, especially in the size range of 10,000—50,000 SF. Recycling smaller, adjacent industrial sites to develop larger projects could be a good opportunity for a private developer (Crossroads Business Park model).

Another finding from survey data is an increase in companies that do business internationally (perhaps due to the focus on the industrial area which includes the majority of our manufacturing companies). In 2014, only 17.5 percent of the businesses surveyed conducted business outside the U.S. In 2015, 34.7 percent of businesses surveyed said they conduct business outside the U.S., both importing and exporting.

**Conclusion**

Economic development research consistently shows that the majority of business growth, and consequently, new jobs, comes from business expansion within an area. By building and maintaining good lines of communication with our businesses, the City has better opportunities to learn about their needs, identify “at risk” businesses and assist with retention efforts.

The Escondido Business Walk will continue to be an annual event. It is anticipated that the 2016 event will include more volunteers from the Escondido Chamber of Commerce board of directors, and will put more focus on those industries that have not been surveyed in past years such as hospitality and retail. For more information about the Escondido Business Walk, contact Michelle Geller at (760) 839-4587 or [mgeller@escondido.org](mailto:mgeller@escondido.org).

## Businesses Selected for 2015

Quick Dry Flood Services	Industrial Foam Products	Cemex
Berg Electric	T.S. Industrial Supply	Golden State Law Group
American Innotek	KVA Stainless	CHMB, Inc
Emerging Forms	Bimbo Bakeries	Regus
Yale Chase	Generation Circuits	Solvis Medical Staffing
Freeberg Industrial Fabrication	Taylor Trim & Supply Inc	AAA
Palomar Solar	HydraBrush, Inc.	Wells Fargo
San Diego Steel Solutions	Roc Industries	White & Bright
Banister Iron Works	Photon Solar Power, Inc.	
Water Quality Specialists	Arcmate Manufacturing Corporation	
LohnStar Optics	Greener Spaces	
Controlled Motion Solutions	Swissmeca	
Express Pipe and Supply	All Systems Go Office Furniture	
Circuit Logic	One Stop Systems, Inc.	
Terminal Business Velocity	Safeway Electric	
Tara Systems	Company Name	
Texmate Inc	XKites	
Icon Building Supplies	Quality Sealants, Inc.	
Intricon Datrix	Unisound	
JD Fabrication	Compendia	
O'Brien's Boulangerie	KHS&S Contractors	
Unicel	ATC Design Group	
Willow Creek Archery	Escondido Glass Company	
Dodsons Manufacturing	Profox	
Airo International	Wollman Wealth Designs	
JR Filanc Construction	Shifthound, Inc	
Take A Break Service	AME Software	
Catalyst Racing Composites	Tax & Ledger Professionals	
Irelan Medical	Controltec	
Frans Manufacturing Inc.	North County Tile & Stone	
Marky Sparky Toys		