

Addendum to Contractual Obligations of MACEDC

From July 1 to December 31, 2023, Minot Area Chamber EDC visited 20 businesses as part of their Business Retention and Expansion efforts. Background information was collected from each business prior to their site visit, when an on-site interview was conducted. A summary of the data gathered from the businesses is below.

- Seven of the businesses are from the energy sector, five are from the construction sector and three are from the distribution sector. The remaining five businesses are from other sectors.
 - The sites visited in Minot are the headquarters of 14 businesses, divisions for six of the businesses and office operations for one. (One business provided two responses.)
 - The primary product/service provided by 18 of the businesses is a component, while one provides a finished product and another didn't provide that information.
 - Seventeen of the businesses serve a regional market and three serve a national market.
 - Their reported market coverage ranged from 10% to 100%, with an average of 32.1% and a median of 27.5%.
 - Eighteen of the businesses are current members/investors of MACEDC.
- The businesses employ a total of 1,330 people, which includes 1,326 full-time, non-seasonal positions.
 - The businesses' current workforce is meeting expectations in terms of quality, stability and availability. (Figure 1)
 - Over the last three years, eight of the businesses had added positions (206 jobs added total) and three businesses had eliminated positions (14 jobs lost total).
- Among the businesses willing to share financial information, annual sales ranged from \$2.5M to \$70M, with a median of \$12.5M and an average of \$19.9M.
 - Capital investments over the past two years ranged from \$100K to \$12.5M, with a median of \$2M and an average of \$2.2M.)
- Fourteen of the businesses are currently growing, five are maturing and one said it is declining.
 - Relatedly, company sales are increasing for 15 of the businesses, stable for four of them and sales are decreasing for one business.
- Eleven of the businesses have plans to expand within five years. Five of those planned expansions include increasing space, five plans call for hiring more employees and five indicated their plans include offering new services and/or increasing current capabilities.
 - Labor costs are rated as the biggest barrier to growth in Minot, followed by the cost of living. (Figure 2)

- Nine of the businesses said legislative changes over the next two years could adversely affect them. Those potential changes typically related to green initiatives/fossil fuel regulations.
 - Eight businesses thought some legislative changes could benefit them; those changes mostly dealt with funding.
- Suppliers or customers relocating has not been a problem for the businesses.
- The biggest challenge businesses in Minot contend with remains filling open positions.
 - Most of the businesses are reporting issues with employee recruitment and retention, which appears to be not only a community problem but industrywide.
 - The biggest needs are for blue collar workers, like CDL drivers, equipment operators, skilled laborers and those in the trades; managers and accountants are also needed.
 - There is an average of five unfilled positions per business, with a total of 98 overall. The number of open positions has been stable for 14 of the businesses, increasing for five of the businesses and decreasing for one.
 - Four of the businesses have seen changes in the make-up of their workforce, with mixed outcomes.
- As has been seen previously, the biggest advantages to being located in Minot are the people/employees/clients, the community feel/quality of life and being bigger/better than other communities in the area.
 - The biggest disadvantages to being in Minot included the limited pool of potential employees, distance from the Bakken/job sites and freight costs/issues.
 - Minot's business climate received a mean rating of 3.70 on a scale of one to five, with one being low and five being high.
- Parks and recreation was the highest rated aspect of life in Minot, followed by the airport and fire department. (Figure 3)
 - Childcare services continues to be the lowest rated aspect of life in Minot, with public transportation being rated only slightly higher. (Figure 3)

Figure 1
Mean Rating: Workforce
(1=Greatly Needs Help, 5=Exceeds Expectations)

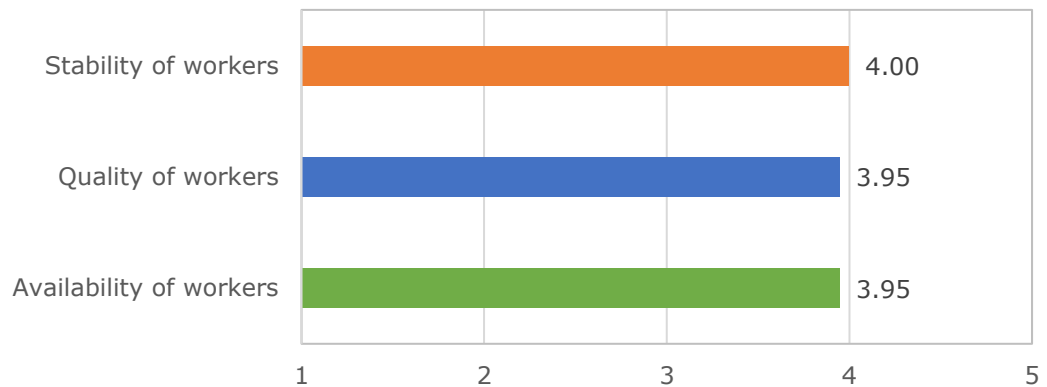


Figure 2
Mean Rating: Barriers to Growth in Minot
(1=Low, 5=High)

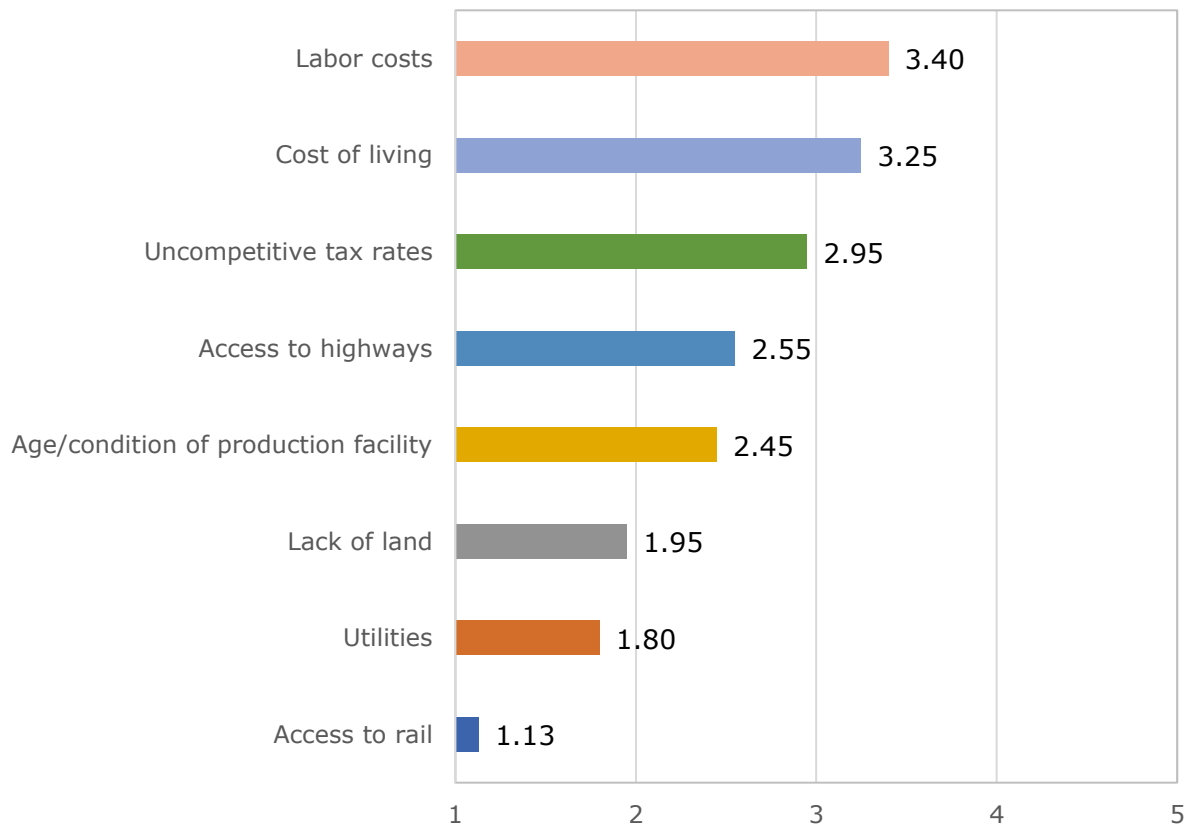


Figure 3
Mean Rating: Quality of Life
(1=Greatly Needs Help, 5=Exceeds Expectations)

