

Wholesale Trade

Wholesale trade is an essential part of the greater Portland regional economy. Wholesalers connect producers with distributors and retailers in a cost effective and time sensitive manner. Wholesale activity also is an important component of the broader national economy and is used by the National Bureau of Economic Research for monitoring economic growth. Wholesale inventories are considered by the Federal Reserve Bank when establishing monetary policy.

Economic Benefits to Clackamas County and the Region

The wholesale trade cluster includes nearly 1,200 companies that specialize in regional, national or international trade of both durable and non-durable goods. This cluster also includes several of the county's largest employers, which support hundreds of small and medium size suppliers.

This cluster has a strong tendency to favor Clackamas County over other regional and national locations, and favors Clackamas industrial locations with convenient highway, rail and airport access. Key advantages of this cluster include above average wage levels, with opportunities for entry level, and advanced trade logistic and sales representatives. The direct economic benefit from production costs, employee compensation, and tax payments accounts for \$1.5 billion in value added GDP in Clackamas County, and leverages an additional \$421 million in secondary regional GDP from supply chain purchases and employee spending multipliers.

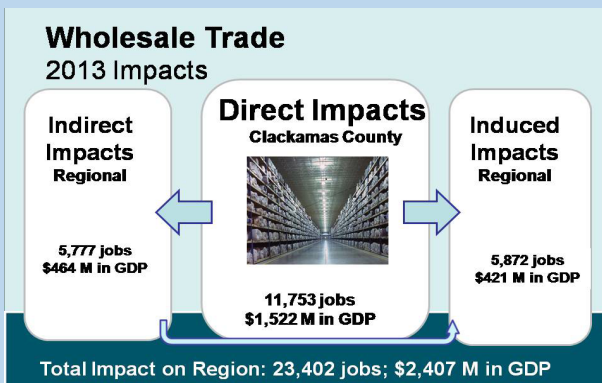


CLACKAMAS COUNTY ECONOMIC LANDSCAPE Wholesale Trade

Wholesale Trade Cluster Current Stats for Clackamas County

- Gross Domestic Product (GDP): \$1.5 B
- Cluster Share of County GDP: 8.3%
- Exports/Sales from Outside Region: 62%
- Direct Employment: 11,753
- County Businesses: 1,198
- Number of Businesses in the Top 100: 10
- 10-year Job Growth Forecast: 12%
- Cluster Location Quotient (LQ): 1.55

Source: compiled by FCS GROUP based on IMPLAN (2013), adjusted to 2015 dollars. 10-year forecast provided by the Oregon Employment Department. GDP = gross domestic product. Location Quotient (LQ) depicts relative share of this industry's contribution in Clackamas County compared to this industry's contribution in the 9-county Metropolitan Statistical Area.



Wholesale Trade: Annual Economic Benefits

	2006	2010	2013
Industry Location Quotient	1.22	1.35	1.55
Contribution to County GDP	11.1%	10.6%	8.3%
Business Establishments in County	1,101	1,186	1,198
Average Labor Income in County (per job)	\$72,593	\$72,196	\$69,979
Labor Income in County	\$897,970,000	\$830,400,000	\$822,460,000
Employment			
Direct Jobs in Clackamas County	12,370	11,502	11,753
Secondary Jobs	12,186	8,907	11,648
Total Direct & Secondary Employment	24,556	20,409	23,401
Direct GDP and Output in Clackamas County			
Direct GDP (Value Added)	\$1,705,690,000	\$1,718,280,000	\$1,522,460,000
% Traded Outside Region	n/a	45%	62%
Output	\$2,529,250,000	\$2,199,660,000	\$2,463,900,000

GDP = Gross Domestic Product.

Source: Analysis by FCS GROUP. All data in this table with the exception of business establishments, are based on 2006, 2010, 2013 IMPLAN estimates. Employment reflects total jobs (full and part time workers as well as the self-employed). Estimated business establishments are derived from the Oregon Employment Department. Location quotients are based on Clackamas County's relative propensity to attract employers within this cluster in comparison to the nine-county Portland-Vancouver Metropolitan Statistical Area (MSA). *Note: Dollar figures are adjusted to 2015 dollars.*

Wholesale Trade Strategic Market Opportunities

- Clackamas County is home to several large regional wholesale trade businesses that serve the Oregon and SW Washington market regions, such as Kroger (Fred Meyer), Safeway, OREPAC and Sysco Foods.
- Electronic wholesalers have emerged with the proliferation of the world-wide internet and e-commerce. These wholesalers arrange for the purchase and/or sale of goods, but never actually own or handle them. This segment of wholesale trade grew five times faster than the national economy between 1998 and 2008, and fits well into either industrial/flex or Class A office buildings, found in Kruse Way, Wilsonville and the Clackamas Industrial Area.
- New technologies, such as electronic tracking and e-commerce, have streamlined inventory, ordering, and distribution processes. This trend will lessen the demand for workers in traditional wholesale functions, such as order clerks and stock clerks.
- Niche markets for wholesale trade may emerge to serve small producers and manufactures.

Trucking and Distribution Cluster North American Industrial Classification System (NAICS) Categories

423: Wholesale Trade, Durable Goods

Includes businesses that sell durable goods to other businesses. Durable goods may be new or used items with an expected life of three or more years. Typical goods include motor vehicles, furniture, construction materials, machinery, and appliances.

424: Wholesale Trade, Nondurable Goods

This industry is focused on nondurable goods with a normal life of less than three years. Typical nondurable products include paper, chemicals, drugs, textiles, apparel, footwear, groceries, farm products, petroleum, alcoholic beverages, food, books and nursery stock.

425: Wholesale Trade, Electronic Goods

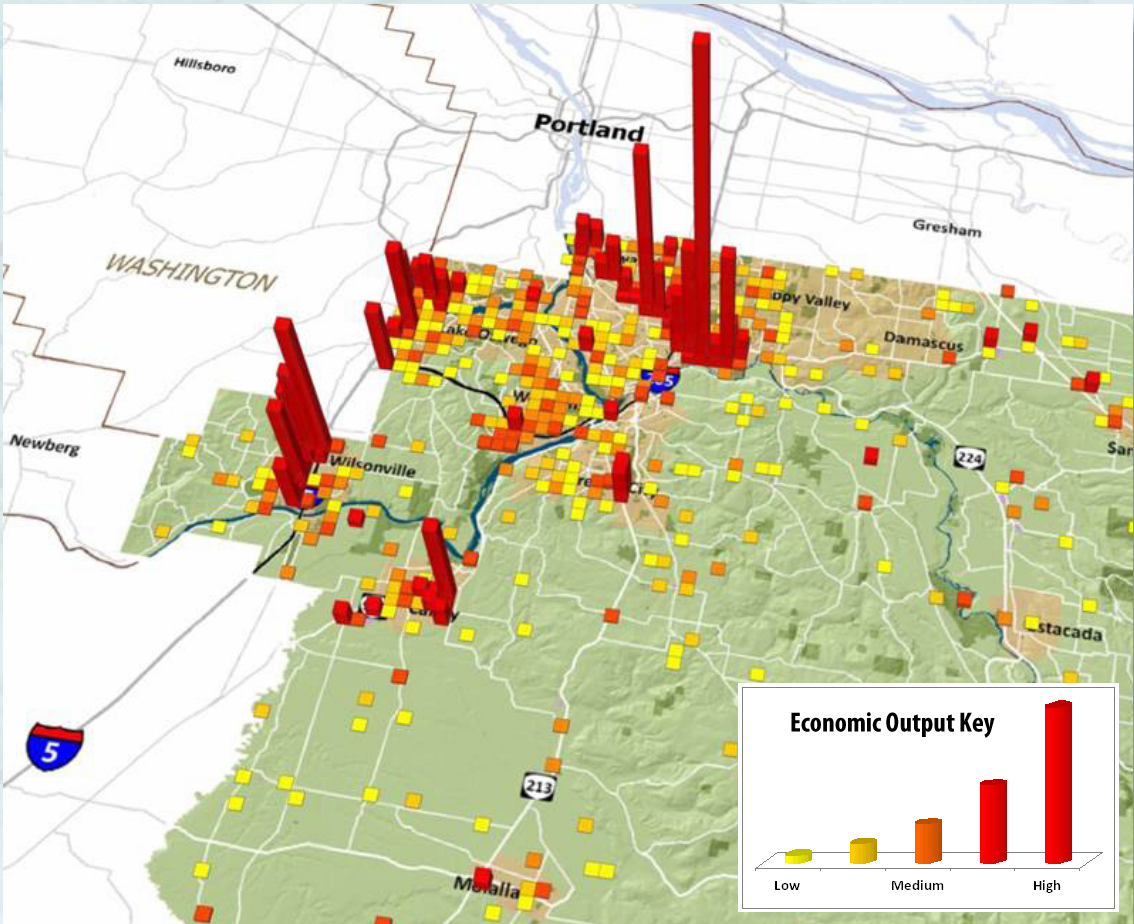
Businesses include wholesale electronic markets, agents and brokers for the sale of goods owned by others. They act on behalf of the buyers and sellers of goods.



Sample of Representative Wholesale Trade Companies in Clackamas County
Acosta Sales & Marketing *
BCA Coca Cola Bottling Co Of LA *
Crossmark Inc. *
Kendal Floral Supply LLC *
Kroger Inc. *
Orepac Building Products Inc. *
Pacific Sea Food Company Inc. *
Sysco Portland Inc. *
Three Js Distributing Inc. *
Unified Grocers Inc. *

Source: Oregon Employment Department; FCS GROUP
 * Indicates top 100 County Business Listing

**Existing Wholesale Trade Businesses in Clackamas County:
 Annual Regional Economic Output by Location***



* Reflects total economic output attributed to business activities measured in 2013 using the IMPLAN model for Clackamas County.

Career Opportunities

The wholesale trade cluster provides a wide variety of entry level positions, as well as journeyman trades and professional/management positions, including:

- Sales representatives
- Mechanical engineers
- Welders
- Laborers and stock workers
- General managers and operations managers
- Shipping and logistics
- Inspectors/testers
- Assemblers
- Bookkeeping and accounting



Resources

Clackamas County Business & Economic Development

www.clackamas.us/business

Business Oregon

www.oregon4biz.com

Clackamas Workforce Partnership County

www.clackamasworkforce.org

IITR Truck Driving School

www.iitr.net

Contact Information

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