

Professional Business Services*

Professional business services are an important and unique industry cluster comprised of services rather than traditional traded goods. Some of the service sectors that make up this cluster include accounting, asset management, business consulting, financial management, wealth management, insurance, law, architecture, engineering, planning, computer systems and management consulting. Establishments within this cluster range in size from small independents to large consulting practices. While not typically regarded as a traded-sector, this cluster derives almost half of its sales from demand outside the region, and has major concentrations of businesses along the I-5 and I-205 corridors in Lake Oswego (Kruse Way), Wilsonville and the Clackamas Town Center area.

As public, private and non-profit agencies strive to enhance efficiency and operating margins, the professional business cluster is benefitting from the outsourcing of internal functions (such as accounting, computer systems design, and legal assistance) and the continuous need for cutting-edge solutions to business challenges. The aging U.S. population is creating greater demand for financial services, wealth management, retirement planning and insurance services, more than any time in history.



Economic Benefits to Clackamas County and the Region

The professional business service cluster is the largest cluster in Clackamas County with an annual direct value added GDP that now exceeds \$3.1 billion. Today, over 2,400 companies within this cluster provide employment to over 36,000 workers in Clackamas County. This cluster also includes several of the county's largest employers, which support hundreds of small and medium size suppliers.

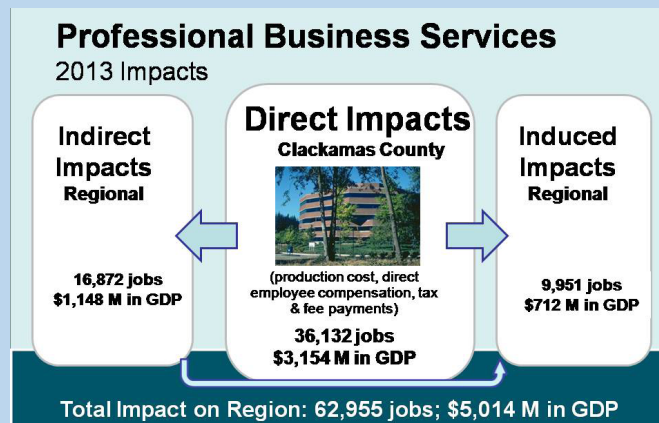
The professional business services cluster offers a wide range of entry level and advanced occupations with employers favoring office buildings in downtowns or campus settings. The direct economic benefit from production costs, employee compensation, and tax payments accounts for \$3.1 billion in value added GDP in Clackamas County, and leverages an additional \$1.8 billion in secondary regional GDP from supply chain purchases and employee spending multipliers.

Professional Business Services Cluster Current Stats for Clackamas County

- Gross Domestic Product (GDP): \$3.2 B
- Cluster Share of County GDP: 17.2%
- Exports/Sales from Outside Region: 11%
- Direct Employment: 36,132
- County Businesses: 2,401
- Number of Businesses in the Top 100: 3
- 10-year Job Growth Forecast: 23%
- Cluster Location Quotient (LQ): 1.32

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.

* Cluster includes computer software systems design, legal, engineering, marketing, technical consulting and insurance professions, but excludes commercial banking.



CLACKAMAS COUNTY ECONOMIC LANDSCAPE

Professional Business Services

Professional Business Services: Annual Economic Benefits

	2006	2010	2013
Industry Location Quotient	1.31	0.90	1.32
Contribution to County GDP	5.0%	17.0%	17.2%
Number of County Establishments	2,008	2,535	2,401
Average Labor Income in County	\$40,624	\$24,808	\$27,675
Total Labor Income in County	\$990,770,000	\$849,600,000	\$999,960,000
Employment			
Direct Jobs in Clackamas County	24,389	34,247	36,132
Secondary Employment	23,783	17,958	26,823
Total Direct & Secondary Employment	48,172	52,205	62,955
Direct GDP and Output in Clackamas County			
Direct GDP (Value Added)	\$2,535,920,000	\$2,682,350,000	\$3,154,440,000
% Traded Outside Region	n/a	8%	11%
Output	\$4,388,390,000	\$4,139,190,000	\$5,312,790,000

* Note, years prior to 2010 not directly comparable since methodology was revised to exclude advertising & photography services in 2010 which are now reflected in the Film & Media cluster.

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.*

Professional Business Services Strategic Market Opportunities

- Global and national networks are creating export opportunities for professional business services. Today, technology planning, strategic services, and enterprise consulting represent over 70 percent of all worldwide consulting services. Clackamas County strengths are in green building, transportation services, ecosystem management, nursery product development and organic agriculture.
- Climate change and government energy policies are driving up demand for sustainable energy and green design consulting services. The greater Portland region has already emerged as a national leader in green building consulting and internationally. Clackamas County can help nurture this industry by supporting sustainable development in the public and private sectors.
- Insurance and wealth management companies find Clackamas County an attractive location to do business. As the U.S. and Oregon population ages, the demand for insurance and wealth management professionals will increase.

Professional Business Services Cluster North American Industrial Classification System (NAICS) Categories

5222: Non-Depository Credit Information

Such as credit unions.

5223: Activities Related to Non-Depository Credit Intermediation

Such as mortgage loan brokers.

523: Securities, Commodity Contracts, Financial Investments and Related Activities

524: Insurance Carriers and Related Activities

525: Funds, Trusts and Other Financial Vehicles

531: Real Estate Leasing, Agents, Brokers, Property Management and Related Activities

541: Professional Scientific and Technical Activities

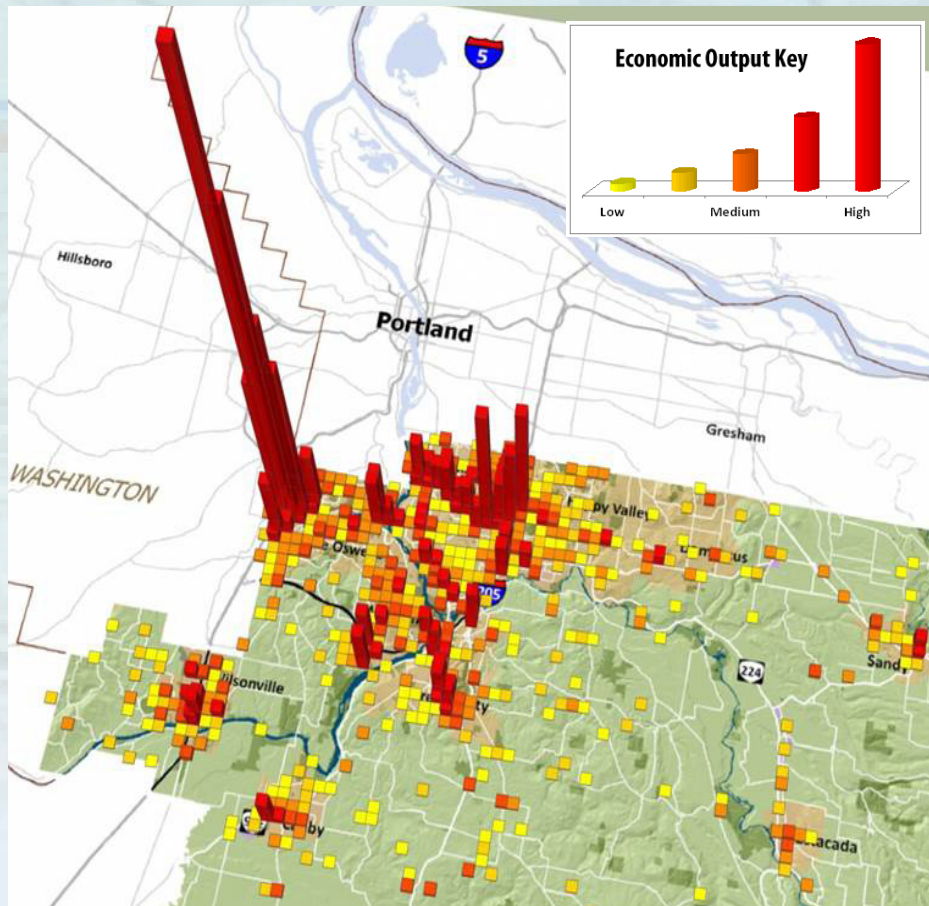
Such as legal services, accounting, payroll services, architecture, engineering, surveying, building inspection, graphic design, computer systems design, management consulting, environmental consulting and veterinary services.

Sample of Professional Business Service Companies in Clackamas County

Aequitas Capital Management Inc.
Alpine Mortgage *
Black & Veatch Corporation
Consonus Pharmacy Services LLC
Excel Mortgage Servicing Inc.
Huron Consulting Services LLC *
Jacobs Engineering Group Inc.
Princeton Property Management *
Travelers Indemnity Co.
VCA Northwest Veterinary Specialist
Mentor Graphics

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

Existing Professional Business Services Enterprises 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 professional business services cluster includes a wide variety of entry level and advanced job occupations, such as:

- Accounting: individual and corporate accounting, bookkeeping, tax planning, corporate accounting
- Engineering/Architecture: planner, designer, civil engineer, structural engineer, project manager, architect, surveyor
- Finance: CPA, auditing, budget analyst, finance, money management, retirement planning
- Insurance: actuary, agents/brokers, health, malpractice, claims adjuster, loss control, underwriter
- Legal: legal research, clerk, attorney, office administrator
- Other: computer systems analyst, computer software designer, health benefits administrator, etc.



Resources

Clackamas County Business & Economic Development
www.clackamas.us/business

Business Oregon
www.oregon4biz.com

Clackamas Workforce Partnership
www.clackamasworkforce.org

Clackamas Community College
www.clackamas.edu

Marylhurst University MBA
www.marylhurst.edu

Oregon Institute of Technology
www.oit.edu/portland/programs

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