

## INTRODUCTION

JobsOhio, the state's unique private economic development corporation, is independently funded by the spiritous liquor enterprise that it leased from the state and operates. JobsOhio deploys the profits to make impact investments, provide grants, and pursue a variety of initiatives that give Ohio a competitive advantage in attracting, retaining, and expanding business capital investments, payrolls, and career opportunities for Ohioans across the state. Since its founding in 2011, JobsOhio has publicly reported its results and quantified its return on investment for the people of Ohio based on metrics limited to only the direct jobs, payrolls, new capital assets, and state income taxes generated from the project wins that JobsOhio negotiated and incentivized.

To verify its own data and better understand the total impact of its programs, JobsOhio commissioned IMPLAN Group, the creators of the leading economic modeling application at the forefront of economic theory and practice, to perform a thorough analysis of all 3,274 projects JobsOhio served between 2011 and 2021. IMPLAN utilizes Input-Output (I-O) Analysis to show how the linkages of industries, households, and government in the economy are connected through buy-sell relationships. By modeling changes by these actors, the ripple effect throughout Ohio's economy can be demonstrated for each year of JobsOhio's operations.

The IMPLAN study report took 10 months to complete and includes 126 pages of analysis and data tables that are published in their entirety at [JobsOhio.com/IMPLAN](http://JobsOhio.com/IMPLAN). This fact sheet provides a summary of IMPLAN's research methodology and findings.

## METHODOLOGY

This study used IMPLAN annual data sets and calculation process to estimate the economic impact from JobsOhio supported projects on the economy. To comply with standard best practices, IMPLAN economists modeled JobsOhio projects individually as "Events" in the year in which they occurred. For the majority of the projects, there were impacts on the economy associated with the construction of a new structure and increased or new operation activity for the business.

### MULTIPLIERS

The total economic impact from a project does not exist in a vacuum. According to IMPLAN, every new job, every dollar of wages and taxes, and every transaction has a multiplier effect in the local economy. For example, if every dollar spent in the economy adds an additional \$0.25 of economic activity, this would result in a multiplier of 1.25. Each project was modeled in its specific JobsOhio region and accounted for impacts of multi-region commodity and commuting flows stemming from the changes in production or income.

### ESTIMATING TAXES

Taxes reported from IMPLAN are based on the existing relationships of the data found in IMPLAN's authoritative dataset of collected and reported taxes by various units of government in each Data Year analyzed. The values are net of subsidies from all levels of government. What is presented in IMPLAN is the effective tax rate. IMPLAN uses proprietary, industry accepted, methods for estimating missing values.

### ADDITIONAL IMPACTS EXCLUDED

Although JobsOhio projects helped retain tens of thousands of jobs at risk of leaving the state and stimulated hundreds of millions of dollars in capital equipment purchases, available data could not be modeled with precision. Therefore, they were excluded from the analysis.

## ANALYSIS KEY TERMS

### ECONOMIC INDICATORS

#### Employment

An industry-specific mix of full-time, part-time, and seasonal employment which is an annual average that accounts for seasonality; Employment is not equal to full-time equivalents.

#### Labor Income

All forms of employment income, including employee compensation (wages and benefits) and proprietor income.

#### Value Added

The difference between an industry's or establishment's total output and the cost of its intermediate inputs; it is a measure of the contribution to Gross Domestic Product (GDP).

#### Output

The value of industry production; in IMPLAN these are annual production estimates for the year of the dataset.

#### Job Years

If a worker is employed annually, the job is counted more than once. Therefore, IMPLAN reports "Job Years" indicating the number of Jobs multiplied by the number of years it exists.

### TYPES OF EFFECTS

#### Direct

The initial effects to a local industry or industries due to the activity or policy being analyzed.

#### Indirect

Stemming from business-to-business purchases in the supply chain taking place in the state.

#### Induced

Stemming from household spending of labor income, after removal of taxes, savings, and commuters.

# ECONOMIC IMPACT OF JOBSOHIO PROJECTS

## CONSTRUCTION OF NEW CAPITAL FACILITIES

The direct capital investment by companies working with JobsOhio supported 25,012 jobs, \$1.62B in Labor Income, \$1.76B in Gross State Product, and \$3.30B in Economic Output annually in the construction industry between 2011-2021.

Each year, these investments supported between 11-14% of all jobs in the construction industry throughout the state. This results in a total economic impact to the economy of 455,608 jobs earning \$27.43B in Labor Income, \$36.17B in Gross State Product, and \$67.17B in Economic Output to the state of Ohio from 2011 through 2021.

For every direct construction job supported by these investments, an additional 0.66 jobs are supported in the state for a multiplier of 1.66. For every \$1 in direct Gross State Product from construction, an additional \$0.87 is supported in the state, for a multiplier of 1.87.

### Economic Impact of Construction, Annual Average 2011-2021

	EMPLOYMENT	LABOR INCOME	VALUE ADDED	OUTPUT
Direct	25,012	\$1,622,151,312	\$1,756,737,872	\$3,300,340,057
Indirect	5,479	\$359,697,447	\$590,757,191	\$1,181,413,371
Induced	10,928	\$512,026,945	\$940,479,810	\$1,624,157,550
<b>Total</b>	<b>41,419</b>	<b>\$2,493,875,704</b>	<b>\$3,287,974,873</b>	<b>\$6,105,910,978</b>

### Tax Impact of Construction, Total 2011-2021

	SUB COUNTY GENERAL	SUB COUNTY SPECIAL DISTRICT	COUNTY	STATE
Direct	\$135,937,367	\$77,919,586	\$29,969,347	\$466,773,483
Indirect	\$68,939,223	\$158,281,384	\$68,835,782	\$364,249,961
Induced	\$107,155,766	\$263,009,096	\$112,516,141	\$579,447,829
<b>Total</b>	<b>\$312,032,355</b>	<b>\$499,210,065</b>	<b>\$211,321,270</b>	<b>\$1,410,471,273</b>

## NEW & EXPANDED INDUSTRY OPERATIONS

JobsOhio works as a catalyst to attract and retain high-growth business investments and job creation from companies in its 10 targeted industrial sectors. While many of these companies existed prior to receiving support from JobsOhio, only the new employment and spending was analyzed.

The new or expanded operations of these companies from 2012 through 2022 resulted in a cumulative impact of 1,398,822 job years with an associated Labor Income of \$83.64B, contributing \$154.33B in Gross State Product, and a total net operating revenue of \$409.34B. For every direct job created by these companies, an additional 1.30 jobs are supported in the state for a multiplier of 2.30. For every \$1 in direct Gross State Product from operations, an additional \$1.10 is supported in the state, for a multiplier of 2.10.

This results in a total economic impact of 3,262,516 job years earning \$185.03B in Labor Income, \$327.02B in Gross State Product, and \$735.54B in Economic Output to the State of Ohio over the eleven-year period.

### Economic Impact of Operations, Cumulative 2012-2022

	EMPLOYMENT	LABOR INCOME	VALUE ADDED	OUTPUT
Direct	1,398,822	\$83,638,580,024	\$154,326,091,448	\$409,344,558,659
Indirect	997,346	\$59,538,560,964	\$96,422,086,936	\$196,141,697,656
Induced	866,347	\$41,855,043,711	\$76,275,955,672	\$130,052,545,059
<b>Total</b>	<b>3,262,516</b>	<b>\$185,032,184,699</b>	<b>\$327,024,134,056</b>	<b>\$735,538,801,375</b>

### Tax Impact of Operations, Cumulative 2012-2022

	SUB COUNTY GENERAL	SUB COUNTY SPECIAL DISTRICT	COUNTY	STATE
Direct	\$1,463,490,940	\$2,983,673,332	\$1,203,899,629	\$6,853,107,212
Indirect	\$955,547,472	\$1,790,974,423	\$723,884,378	\$4,268,349,800
Induced	\$829,069,462	\$1,924,845,209	\$772,189,158	\$4,101,642,232
<b>Total</b>	<b>\$3,248,107,873</b>	<b>\$6,699,492,964</b>	<b>\$2,699,973,164</b>	<b>\$15,223,099,245</b>

# ECONOMIC IMPACT OF JOBSOHIO PROJECTS

## ENDURING RETURNS FOR YEARS TO COME

Because so many of the jobs created by these companies are tied to facilities and physical assets rooted in Ohio, they are likely to continue to contribute annually to the Ohio economy as these businesses continue to operate in the state. These annual operations will result in 243,439 directly supported jobs with an associated Labor Income of \$14.58B, contributing \$26.79B in Gross State Product, and a total net operating revenue of \$69.50B.

This will result in a total **annual** economic impact of 559,382 jobs earning \$31.99B in Labor Income, \$56.37B in Gross State Product, and \$125.34B in Economic Output to the state of Ohio each year going forward due to the 11-year investments by JobsOhio in the 3,274 projects.

### Economic Impact of Operations, Annual Contributions 2022 - Forward

	EMPLOYMENT	LABOR INCOME	VALUE ADDED	OUTPUT
Direct	243,439	\$14,578,318,026	\$26,793,313,545	\$69,498,744,607
Indirect	169,878	\$10,262,497,179	\$16,536,291,581	\$33,511,131,817
Induced	146,065	\$7,148,933,549	\$13,043,072,952	\$22,329,924,663
<b>Total</b>	<b>559,382</b>	<b>\$31,989,748,754</b>	<b>\$56,372,678,078</b>	<b>\$125,339,801,086</b>

### Tax Impact of Operations, Annual Contributions 2022 - Forward

	SUB COUNTY GENERAL	SUB COUNTY SPECIAL DISTRICT	COUNTY	STATE
Direct	\$262,598,261	\$556,870,364	\$224,904,726	\$1,234,741,814
Indirect	\$163,074,038	\$301,169,369	\$121,763,498	\$712,206,143
Induced	\$142,503,937	\$329,967,029	\$132,800,615	\$696,222,408
<b>Total</b>	<b>\$568,176,237</b>	<b>\$1,188,006,762</b>	<b>\$479,468,839</b>	<b>\$2,643,170,365</b>

**NOTE:** The above figures for ongoing economic impact from operations and taxes do not include any estimates for the Intel, Honda and Ford megaprojects or any other JobsOhio projects announced in 2022. Construction impacts of those projects would be anticipated in 2023 and jobs from direct operations would likely be added 2024. These latest project wins and those to come will further accelerate Ohio's economic growth and industrial diversity going forward.

## TARGET INDUSTRY RESULTS

JobsOhio focuses on 10 target industries which contribute significantly to the state's success. Between 2011 and 2021, the ten target industries accounted for 90% of all executed JobsOhio projects within the state. There are other industries which are also tracked within Ohio's economy that IMPLAN put together into one group, rounding out the 11 groups of industries listed below.

### Total Economic Impact of Operations by Target Industry (\$MM)

	PROJECTS	EMPLOYMENT	LABOR INCOME	VALUE ADDED	OUTPUT
Advanced Manufacturing	1,019	92,725	\$5,140	\$8,400	\$21,175
Aerospace & Aviation	88	13,474	\$892	\$1,534	\$3,024
Automotive	324	60,436	\$3,189	\$5,077	\$16,379
Financial Services	131	48,837	\$3,114	\$5,820	\$10,495
Food & Agriculture	266	54,708	\$2,612	\$4,799	\$14,114
Healthcare	222	60,116	\$3,647	\$6,207	\$12,515
Information & Software	355	65,869	\$4,235	\$7,225	\$12,807
Logistics & Distribution	274	84,513	\$4,224	\$7,909	\$14,842
Military & Federal	10	950	\$57	\$199	\$216
Energy & Petrochemicals	267	38,031	\$2,482	\$5,165	\$11,823
Other Industries	318	39,721	\$2,399	\$4,037	\$7,949
<b>Total</b>	<b>3,274</b>	<b>559,382</b>	<b>\$31,990</b>	<b>\$56,373</b>	<b>\$125,340</b>

# ECONOMIC IMPACT OF JOBSOHIO PROJECTS

## REGIONAL RESULTS

JobsOhio partners with a regional network of six economic development organizations. This approach leverages each region's unique strengths, perspective, and experience, adding a local touch to state-level resources that come together to strategically serve companies in Ohio.

JobsOhio supported projects that attracted new companies and retained or expanded existing businesses in each of the six Ohio regions. The results summarized at the regional level include direct, indirect, and induced impacts for all projects that occurred in that region. In addition, any residual indirect and induced impacts resulting from trade on projects that occurred in other regions of the state are also included. Therefore, the results below express the total impact on a region from all JobsOhio projects within the state.

### Total Economic Impact of Construction by Region (\$MM)

	PROJECTS	EMPLOYMENT	LABOR INCOME	VALUE ADDED	OUTPUT
Central	713	79,242	\$4,924	\$6,481	\$11,526
Northeast	898	136,488	\$8,154	\$10,982	\$20,603
Northwest	480	58,695	\$3,543	\$4,585	\$8,854
Southeast	276	100,222	\$5,782	\$7,589	\$14,275
Southwest	495	39,222	\$2,622	\$3,440	\$6,049
West	416	41,099	\$2,407	\$3,091	\$5,858
<b>Total</b>	<b>3,278</b>	<b>455,608</b>	<b>\$27,433</b>	<b>\$36,168</b>	<b>\$67,165</b>

### Total Economic Impact of Operations by Region (\$MM)

	PROJECTS	EMPLOYMENT	LABOR INCOME	VALUE ADDED	OUTPUT
Central	713	139,236	\$8,059	\$14,569	\$28,424
Northeast	898	169,345	\$9,899	\$17,488	\$38,858
Northwest	480	58,408	\$2,985	\$5,402	\$15,731
Southeast	276	24,199	\$976	\$1,880	\$5,156
Southwest	495	96,304	\$6,236	\$10,214	\$19,927
West	416	71,890	\$3,835	\$6,820	\$17,244
<b>Total</b>	<b>3,278</b>	<b>559,382</b>	<b>\$31,990</b>	<b>\$56,373</b>	<b>\$125,340</b>

**NOTE:** Complete details and case studies from each region are provided in the IMPLAN report.

*"We are pleased to measure JobsOhio's economic impact beyond the direct commitments for jobs, capital investment and payroll that JobsOhio typically publishes in its annual report. This new flagship economic impact report clearly indicates that commitments to JobsOhio and its six regional partners support a much broader array of economic activity in workplaces, communities and households across Ohio than JobsOhio's prior analyses. The best part for the Ohio economy is that this report represents the likely minimum level of impacts due to the fact that job retention and equipment purchases are excluded from the data inputs in the report."*

**- Justin Helmig, CEO of IMPLAN**



The Council for Community and Economic Research (C2ER) has recognized this study as 2022 Best Research Project for *Impact Study*.

JobsOhio collaborates with the State of Ohio, its statewide network of regional economic development organizations, universities and job-training centers, business sector organizations, military and federal installations, and community stakeholders to deliver comprehensive programs and investment opportunities that drive innovation, sustainable economic growth, and improve the quality of life for all Ohioans through the power of dignity and work.

To learn about the partnerships and resources available in Ohio, visit [JobsOhio.com](http://JobsOhio.com) or reach out to our team.



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