

JBLM PUMPS \$9 BILLION INTO THE SOUTH SOUND'S ECONOMY

Joint Base Lewis-McChord is comprised of more than 52,000 active-duty military and Department of Defense civilians. Add in 45,000 military dependents and 32,000 retirees, and the population serviced at JBLM is nearly 130,000. That number represents a cumulative \$5 billion annual paycheck spent primarily in the **South Sound**.

According to the recently released **JBLM Regional Economic Impact Analysis**, Washington State's third-largest employer (behind Boeing and the State) and top employer in Pierce County has an economic impact on the South Sound between \$8.3 and \$9.2 billion. The analysis—focused on 17 South Sound communities in **Pierce County, Thurston County** and on **Nisqually Indian** tribal lands—considered several factors, including JBLM payroll, operations and maintenance, defense contracts, tax revenues and more.

The economic evaluation is a collaboration between the **South Sound Military & Communities Partnership (SSMCP)** and the **University of Washington Tacoma Center for Business Analytics (CBA)**. Bill Adamson, SSMCP program director, was struggling to secure funding for a JBLM economic study when he read about the CBA's **Students-as-Adaptive-Innovators Program** in an issue of *Teamwork*. The Center connects teams of students with local for-profit, non-profit and government organizations for intensive, real-world problem-solving. With unprecedented access to JBLM, CBA Director and Professor Haluk Demirkan, Senior Lecturer Margo Bergman and four **Master of Science in Business Analytics (MSBA)** students completed the analysis over several months.

General analyses of the State's defense industry have been done before, but this is the first full economic study specifically focused on JBLM. In 2010, at the height of the wars in Iraq and Afghanistan and when JBLM's military population peaked at 46,000 troops, JBLM officials placed the economic impact of the base at just over \$6 billion.

"The new figure is much more thorough and comprehensive than our 2010 analysis," said Tom Knight, JBLM's chief of staff. "While base-troop population holds steady at about 40,000, this analysis truly shows that a military base the size of JBLM is not just a major employer, it's responsible for a significant economic impact across this region."

That's a big deal to the Department of Defense. The congressionally authorized **Base Realignment and Closure Process (BRAC)** is used to reorganize base structure to more efficiently and effectively support forces, increase operational readiness and facilitate new ways of doing business. It's been 13 years since the last BRAC was conducted, and Adamson anticipates a military readiness adjustment is coming. JBLM and surrounding South Sound communities will be ready.

"This study will help make our case for the base," Adamson said. "In fact, it could make a case for moving more operations here because of our strategic location and the considerable economic support the base provides South Sound communities."

One big factor in making that argument is the **Port of Tacoma**, which helps keep military aircraft in the skies and provides a deep-water launching pad for military deployments. Supporting and sustaining the Port's industry and infrastructure is paramount to JBLM operations.

"The Port of Tacoma and other Puget Sound ports are key to JBLM deployment operations," Knight said. "Moreover, the pipelines that run from the Port of Tacoma to McChord Field provide aviation fuel vital to supporting global airlift, deployment of forces, disaster-response mobilization, and routine training to attain and maintain readiness."

For more information about the JBLM Regional Economic Impact Analysis, contact Bill Adamson at badamson@cityoflakewood.us or 253.983.7772. A full report is expected to be finalized by November 2018 and will be used to drive home the critical importance of JBLM in maintaining a strong, stable regional economy.

MANUFACTURING INDUSTRIAL COUNCIL: A VOICE FOR THE SOUTH SOUND

With the aim to create a voice for the region's manufacturing, industrial and maritime communities, the **Tacoma-Pierce County Chamber** recently launched the **Manufacturing Industrial Council (MIC) for the South Sound**. The mission of the MIC is to promote and enhance a healthy South Sound economy and the shared values of economic, social and environmental stewardship for manufacturing and related industries that operate within the region. The EDB is a partner in the MIC.

Meredith Neal is the newly appointed director of the MIC. Over the next year, she'll focus primarily on the **Tacoma Tideflats** area before expanding the Council's reach across Tacoma-Pierce County. "This is one of our most important areas," said Neal, who has years of experience in construction project management, urban planning and organizational development. "Creating the MIC acknowledges our rich maritime and industrial heritage. We're fortunate to have a deep-water port. It's a vital driver of our local economy and a fundamental part of our identity. It's also where we have a lot of good, family-wage jobs. We need to maintain that."

Creation of the MIC will help spread the word about the South Sound's industrial and port/maritime sectors and help people better understand what we have, what we're manufacturing and what kinds of jobs exist. Neal looks forward to sharing those stories and expects people might be surprised to learn all that's happening in Tacoma.

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"When people think about the **Port of Tacoma** and the Tideflats, they think about what they can see from afar—the paper mill, storage tanks, cranes," Neal said. "But there are many different businesses of all sizes there and they are all reliant on each other. The MIC will reaffirm the partnerships between businesses and find ways they can better support one another."

A soft launch of the MIC happened Aug. 14 with the unveiling of the Council's website and social media presence. A kick-off event on Sept. 26 will make things official. The event is open to the public. Visit MICSouthSound.com for more information and to register.

SHARE YOUR DATA: 2018 MAJOR EMPLOYERS LIST

Work to complete the EBD's 2018 **Major Employers List** is underway. Companies with 100 or more full-time employees working in Pierce County, and small-but-mighty companies with 50-99 FTEs, are encouraged to submit information online at edbtacomapierce.org/majoremployers.

Teamwork is a service of the EDB, a non-profit corporation focused on recruitment and retention of primary businesses in Tacoma and Pierce County, Washington, USA.

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