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THE CHAMBER FOR REGIONAL PROSPERITY

Research Provides Guidance for BBA Strategic Plan

IMMEDIATE RELEASE

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BIRMINGHAM, Ala. (Feb. 19, 2010) – The Birmingham Business Alliance today released the results of the first stage of Blueprint Birmingham, its economic development planning process for the Birmingham region. The Competitive Realities report, conducted by Market Street Services of Atlanta, examines the region's competitive position in three categories: People, Prosperity and Place.

The report will help identify the region's strengths to be leveraged, the opportunities to be realized and the challenges to overcome as the BBA seeks to further grow the regional economy. The study compares a number of key economic and demographic measurements to those of comparable cities such as Louisville, Nashville and Oklahoma City. The report also includes input from thousands of area residents through individual interviews, focus groups and an online survey. Market Street officials said more people were involved in this process than ever before in the company's history.

Jay Grinney, CEO of HealthSouth and co-chair of the BBA Strategic Planning Steering Committee, said the information in the report is valuable, but no conclusions have been drawn so far. "The data provides factual building blocks about the region's competitiveness and puts them in context against our comparison cities as well national averages. The report shows we can be very competitive."

"This report is a significant first step in the Blueprint Birmingham process and will help us reach conclusions that will lead to action plans," said Rob Burton, President of Hoar Construction and co-chair of the BBA Strategic Planning Steering Committee. "The next phase is to finalize the Target Cluster Analysis, which will help identify the region's target business sectors. This will be based on national economic trends, existing regional assets and an understanding of the competitive advantages of the Birmingham region."

A summary of the Blueprint Birmingham Competitive Realities research, as well as a list of BBA Strategic Planning Steering Committee members, can be found online at www.blueprintbirmingham.com.

Key Findings

People

- Birmingham's per capita income exceeds the comparison cities and is growing faster than the competitors as well as the national average.
- The region is improving the educational attainment of its residents, the competitor cities are making equal or better improvements and the region is not elevating its competitive position.
- Jefferson County continues to experience weak population growth compared to the benchmark cities.
- There was population growth from residents moving to Jefferson County from outside the region, but a higher number of residents have moved from Jefferson County to surrounding counties.
- The region's poverty rate is higher than comparison cities and the national average.

Prosperity

- The Birmingham region has a competitive business climate in terms of costs and incentives.
- The finance and insurance sectors have proven resilient despite the economy.
- The region boasts very high labor productivity, higher than the national average and the comparison cities.
- Although unemployment historically has been low, it has risen tremendously during the recession and exceeds the national rate.
- The region is home to a solid base of entrepreneurs with high average earnings.
- The business climate is not well-perceived outside the region.

Place

- An exceptionally strong health care sector provides numerous opportunities for growth.
- The region has a relatively low cost of living compared to the national average.
- The Birmingham region is a strong philanthropic community with a comparatively high level of financial assets.
- Affordable housing prices will help the region remain competitive in attracting talent.
- A well-developed interstate highway and rail infrastructure is needed to improve the region's attractiveness.
- The region is burdened by fragmented government and a large number of public agencies.
- Negative media reports result in poor internal and external perceptions of the region.
- Transit funding and planning is needed to improve air quality and provide residents with transportation options.

The Birmingham Business Alliance is a dynamic advocate, unifying voice and constant catalyst for economic development and business prosperity for the Birmingham region. The BBA was formed in July 2009 through a merger of the Greater Birmingham Regional Chamber of Commerce and the Metropolitan Development Board.