

# Economic Overview



## Outlook

Ohio's unemployment rate was 5.1 percent in February 2017 compared to 5.0 percent a year ago. The national rate for February 2017 was 4.7 percent.

Total employment in Ohio is expected to increase 8.3 percent over the 10-year period from 2012 to 2022, a projected gain of 455,000 jobs.

The state's per capita income for 2016 was reported at \$44,876. Moody's Analytics is projecting positive activity through 2018 with 6.1 percent increase in personal income. Skilled Manufacturing workforce, healthcare hubs, relatively low business costs, and increasing diversification in the metropolitan areas are areas of economic strength.

## Gross Domestic Product

Ohio's gross domestic product was \$608.1 billion in 2015, making Ohio the seventh largest state economy. Ohio ranks fourth among the 50 states in manufacturing gross domestic product.

## Leading Industries

Ohio's manufacturing sector employs 692,700 people. The state's factories lead the nation in the production of plastics and rubber, fabricated metals, and electrical equipment and appliances. Ohio also is a leading producer of steel, autos, and trucks.

## Businesses

The state's private sector is comprised of 743,915 self-employed firms and 183,062 employer firms, according to the U.S. Small Business Administration. About 3,700 firms, employ 500 or more workers. Collectively, the large firms employ 52 percent of the non-farm private sector workforce. Cleveland Clinic is the largest private sector employer with 48,200 Ohio employees.

Small businesses employing one or more workers account for 20 percent of all firms and employ 48 percent of the workforce. Self-Employed or Non-employer firms comprise 78 percent of all businesses.

## Location

Located in the heart of the nation's industrial region, Ohio is strategically situated on the great inland waterways and crisscrossed by the interstate roadway system. 59 percent of the U.S. and Canadian populations are within 600 miles of Ohio.

## Population Centers

Seventh in the nation in total population, Ohio's population of 11,614,373 people is concentrated in 14 metropolitan areas and 33 micropolitan areas.

The largest metropolitan area in Ohio is the Cleveland-Elyria Metropolitan Statistical Area with 2,077,300 people. Other metropolitan areas with populations in excess of 500,000 include Akron, Cincinnati, Columbus, Dayton, Toledo, and Youngstown.

## Wage and Salary Employment February 2017

Industry	Employ	Percent
Total Ohio.....	5,522	100.0%
Mining.....	11	0.2%
Construction.....	218	3.7%
Manufacturing.....	693	12.7%
Trade/Trans/Utilities.	1,032	18.7%
Information.....	72	1.4%
Financial Activities...	305	5.3%
Prof/Tech Services...	723	13.2%
Health/Education.....	930	16.7%
Leisure/Hospitality...	555	9.8%
Other Services.....	212	4.1%
Government.....	771	14.2%

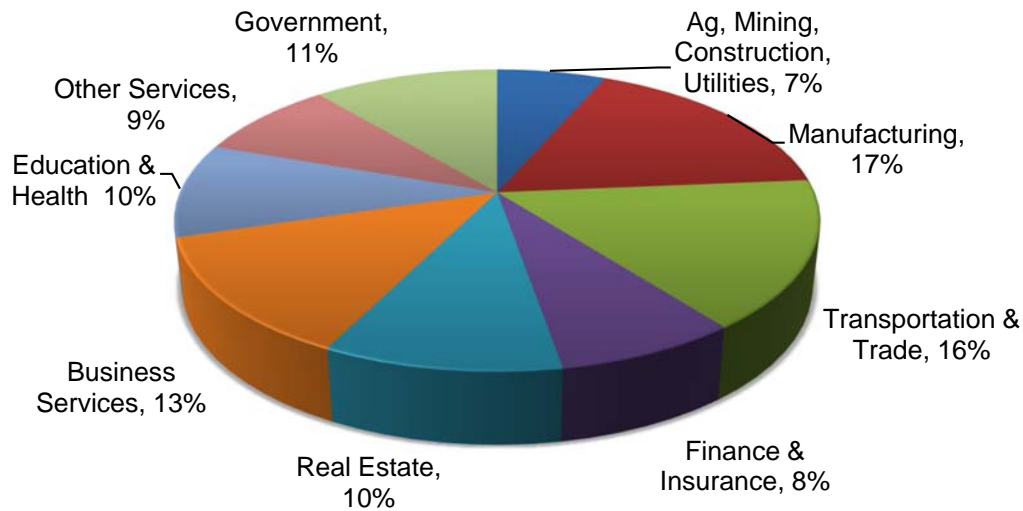
Note: seasonally adjusted nonfarm employment in thousands.  
Source: Ohio Bureau of Labor Market Information.

## The Structure of Ohio's Economy

Ohio had over 19,960 business starts in 2015. Companies continued to invest in the State - \$6.3 billion in over 498 "major" projects in 2016. These companies are associated with a diverse portfolio of industries that includes Advance Manufacturing, Aerospace, Agribusiness, Automotive, BioHealth, Energy, Finance, Information, Polymers and Logistics.

Transportation equipment and fabricated metals, Ohio's two largest manufacturing industries, are closely identified with a number of nationally recognized firms with a major presence in Ohio, including General Electric, General Motors, Ford,

Ohio's Gross Domestic Product by Sector



In research, Ohio's educational institutions and private research facilities have core strengths in advanced manufacturing, biosciences, instruments and controls, power and propulsion and information technology. The National Science Foundation identifies \$10.1 billion in R&D contracts in Ohio, ranking the state 13<sup>th</sup> nationally. Individuals in Ohio received more than 3,177 patents ranking the state 11<sup>th</sup> nationally. Ohio State University, Case Western Reserve University, and the University of Cincinnati are major research institutions that receive more than \$150 million annually in federal research grants. Combined with NASA Glenn, Battelle Institute, and Wright-Patterson Air Force Base, Ohio is a major center of emerging technologies.

Manufacturing is the largest of Ohio's major sectors, based on GDP. Major sectors and their contributions to Ohio's economy are presented in the chart above. Roughly 54 percent of the state's manufacturing output consists of durable goods.

Chrysler, Honda, AK Steel, ArcelorMittal, Timken, and Whirlpool.

Other notable firms include Procter & Gamble, Macy's, L Brands, Sherwin-Williams, and financial institutions such as J.P. Morgan Chase, KeyCorp, Huntington Bancshares, and Fifth Third Bancorp.

The state's two leading export commodities are motor vehicles and machinery. Ohio firms ship products to 213 countries, and the state accounts for about 3.4 percent of the U.S. export total. Ohio merchandise exports were \$49.1 billion in 2016.

The service-producing sectors produce 80 percent of the state GDP and will account for virtually all job growth over the 2012-2022 period.