



GOVERNOR'S COUNCIL FOR WORKFORCE AND ECONOMIC DEVELOPMENT

EDUCATION

ECONOMIC DEVELOPMENT

EMPLOYMENT

STATE OF OKLAHOMA

2005 AUTOMOTIVE CLUSTER ANALYSIS

DEFINITION OF INDUSTRY

The automotive industry cluster includes all aspects of vehicle and trailer manufacturing, from parts manufacturing, including tires and glass, to final vehicle assembly.

SIGNIFICANCE AND HIGHLIGHTS

The automotive cluster represents about 1.4% of total Oklahoma jobs. Just 4% of the firms employ approximately 65% of the workers. However, 88% of the firms employ 99 or fewer. Just under 45% of the top sub-cluster employees are in Oklahoma City.

Average wages in the automotive cluster, \$44,192, are above state average. Average annual wages in the US in this industry as a whole are \$30,526.

Oklahoma appears to be following the national trend in employment; national employment in this cluster decreased 6.6% from 2002 to 2004, while Oklahoma's employment decreased 5.9% in the same time period.

Oklahoma's location quotient (LQ) for this industry is 1.48, a higher proportion compared to the nation. This number is due in part to General Motors and the three tire plants in the state; however, ten of the 27 top employers in this industry manufacture various types of trailers. Looking at county data, five of the eleven counties with LQs much larger than 1.0 can attribute this to trailer manufacturing. Four of those five are in South Central Oklahoma. Tire manufacturing accounts for high LQs in two counties.

When the data is sorted by NAICS codes, tire manufacturing in Oklahoma has the largest LQ at 9.62; trailer manufacturing is second with an LQ of 6.61.

DATA SOURCES

Data used for this analysis was obtained from the Oklahoma Employment Security Commission and included filings of Oklahoma employers as of March 2004.

CLUSTER STATISTICS

Employer Units	244
Number of Employees	19,520
Percent of Total Oklahoma Employment	1.4%
Net Employment Change between 2002 and 2004	-1,224
Average Annual Wages	\$44,192
Location Quotient	1.48
Change in Location Quotient 2002-2004	+0.18

TOP FIVE INDUSTRIES IN THE AUTOMOTIVE CLUSTER

The top five industries in the automotive cluster employ 13,626 people, which represents 69.8% of the total employment (19,520) in the cluster.

NAICS	Industry	Employment	Percent of Cluster
326211	Tire Manufacturing (Except Retreading)	5,957	30.5%
336111	Automobile Manufacturing	2,752	14.1%
336212	Truck Trailer Manufacturing	2,140	11.0%
336322	Other Motor Vehicle Electrical & Electronic Equipment Manufacturing	1,605	8.2%
336211	Motor Vehicle Body Manufacturing	1,172	6.0%

(D) = Data suppressed for disclosure reasons.

TOP EMPLOYERS IN THE AUTOMOTIVE CLUSTER

Company Name	Employee Range
General Motors	2,000-3,000
Goodyear Tire And Rubber Co.	2,000-3,000
Bridgestone/Firestone	1,500-2,000
Michelin North America, Inc.	1,500-2,000
Unit Parts	1,000-1,500
Autocraft Industries Inc	500-1,000
IC Of Oklahoma LLC	500-1,000
Sundowner Trailers, Inc.	500-1,000
Air System Components LP	250-500
Arvin Meritor Inc	250-500
CM Trailers	250-500
Delphi Catalysts (Formerly ASEC)	250-500
Exiss Aluminum Trailers Inc	250-500

INDUSTRY LOCATION QUOTIENTS

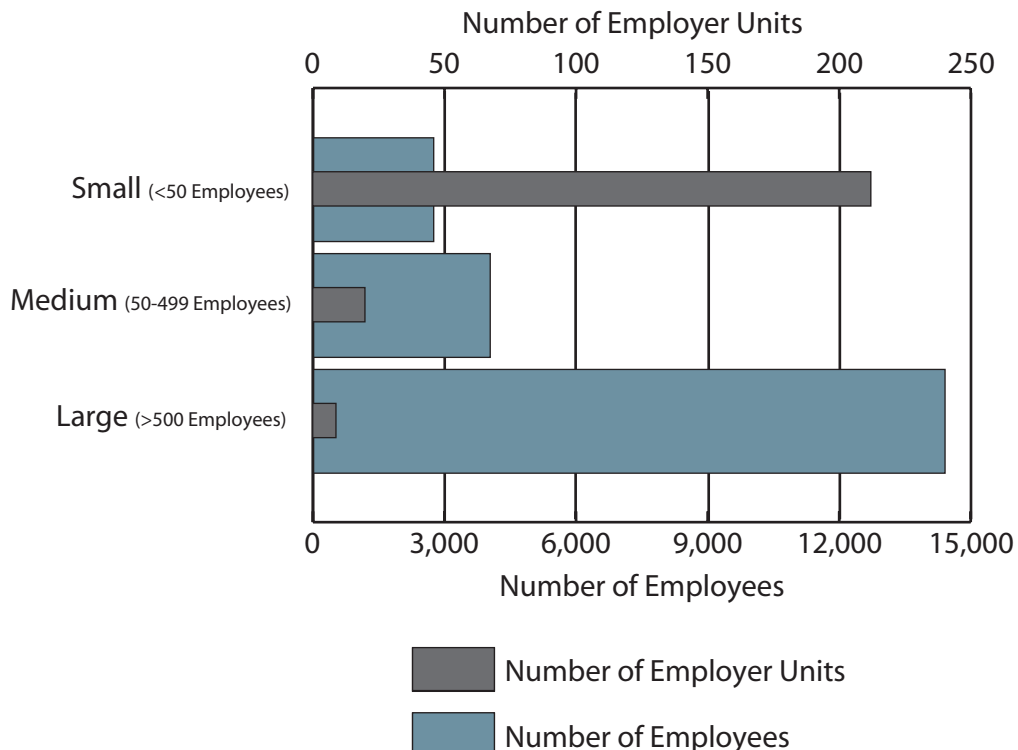
NAICS	Industry	Location Quotient	% Change
326211	Tire Manufacturing (Except Retreading)	9.62	21.0%
336212	Truck Trailer Manufacturing	6.61	-22.1%
336120	Heavy Duty Truck Manufacturing	2.85	33.6%
336214	Travel Trailer & Camper Manufacturing	2.48	2.2%
336322	Other Vehicle Electrical & Electronic Equip. Mftg.	1.88	3.2%
336211	Motor Vehicle Body Manufacturing	1.85	-2.8%
336111	Automobile Manufacturing	1.83	6.9%
336350	Vehicle Transmission & Power Train Parts Mftg.	1.15	21.5%
336360	Motor Vehicle Seating & Interior Trim Manufacturing	0.84	10.3%

INDUSTRY LOCATION QUOTIENTS (CONTINUED)

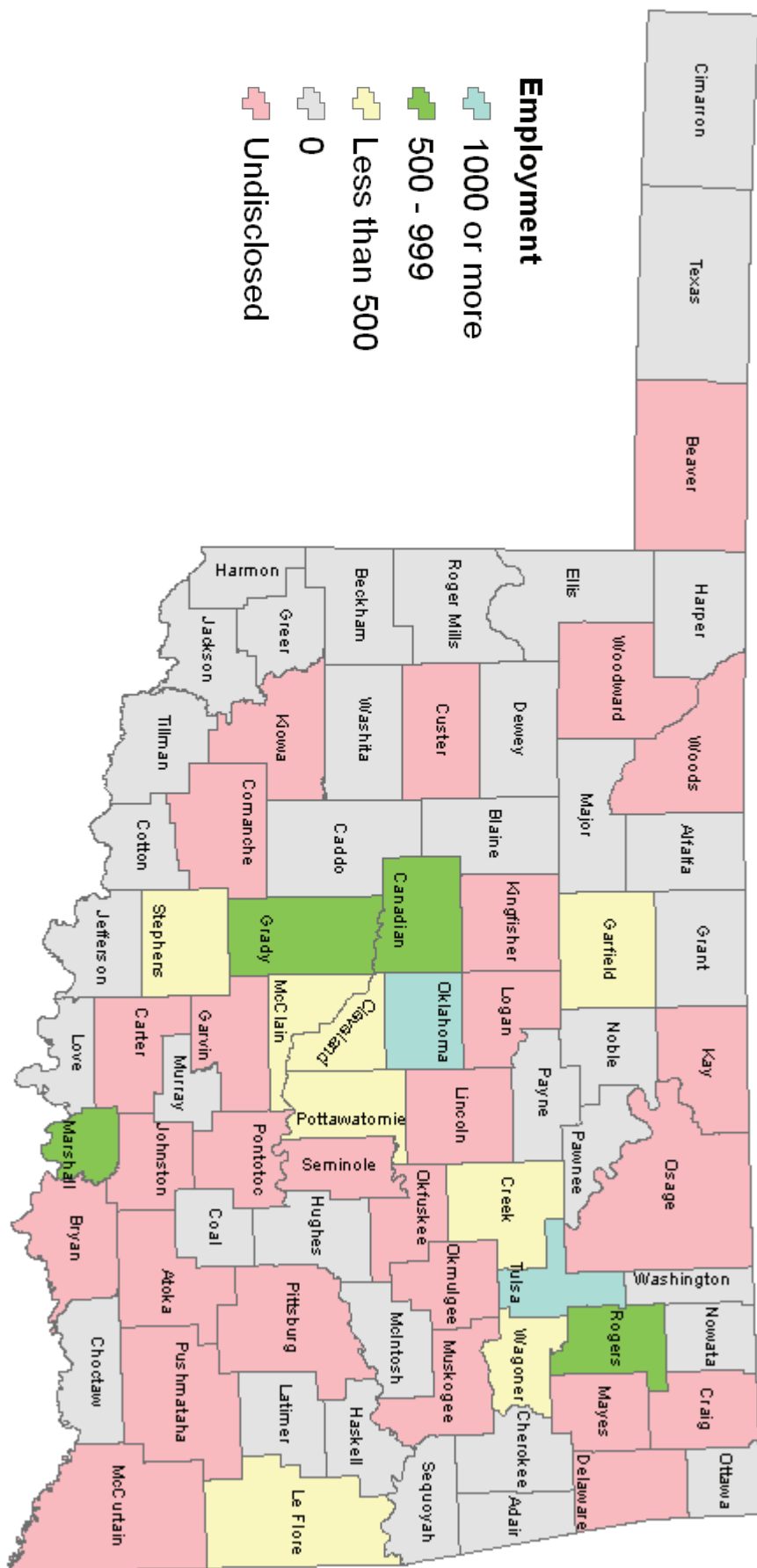
NAICS	Industry	Location Quotient	% Change
326220	Rubber & Plastics Hoses & Belting Manufacturing	0.69	31.1%
336399	All Other Motor Vehicle Parts Manufacturing	0.69	9.6%
326212	Tire Retreading	0.50	-1.2%
327215	Glass Product Mftg. Made Of Purchased Glass	0.46	22.1%
326150	Urethane & Foam Prod. (Except Polystyrene) Mftg.	0.46	20.1%
336311	Carburetor, Piston, Piston Ring & Valve Manufacturing	0.41	20.0%
336340	Motor Vehicle Brake System Manufacturing	0.38	9.5%
336112	Light Truck and Utility Vehicle Manufacturing	0.18	-28.8%
315999	Other Apparel Accessories & Other Apparel Mftg.	0.14	46.6%
336370	Motor Vehicle Metal Stamping	0.13	23.5%
336312	Gasoline Engine & Engine Parts Manufacturing	0.05	27.8%
336321	Vehicular Lighting Equipment Manufacturing	0.02	12.0%

DISTRIBUTION OF EMPLOYER UNITS & JOBS BY EMPLOYER SIZE (MARCH 2004)

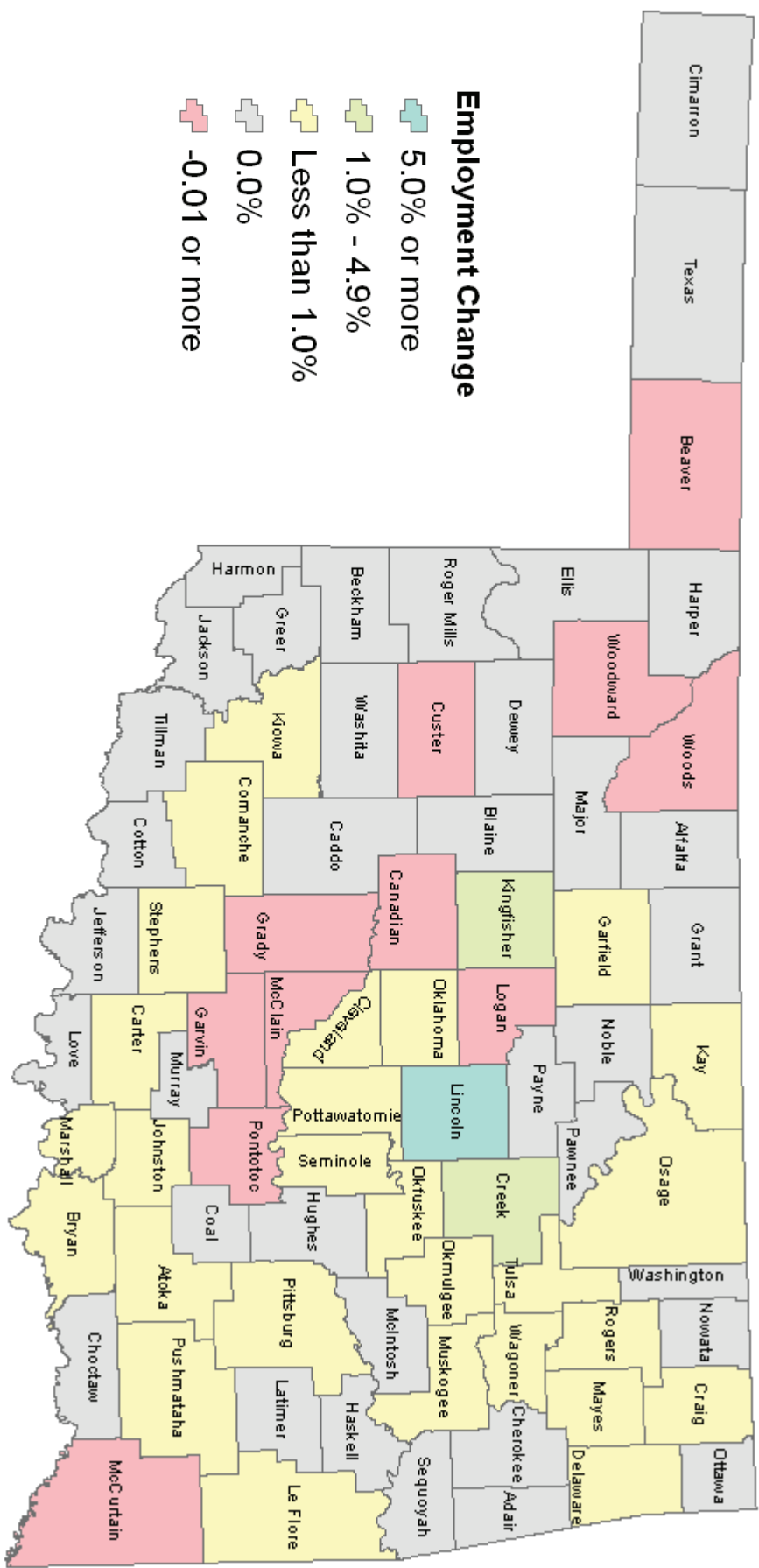
Range	Employer Units	Employees
Small (<50 employees)	212	2,766
Medium (50-500 employees)	20	4,053
Large (>500 employees)	9	12,410



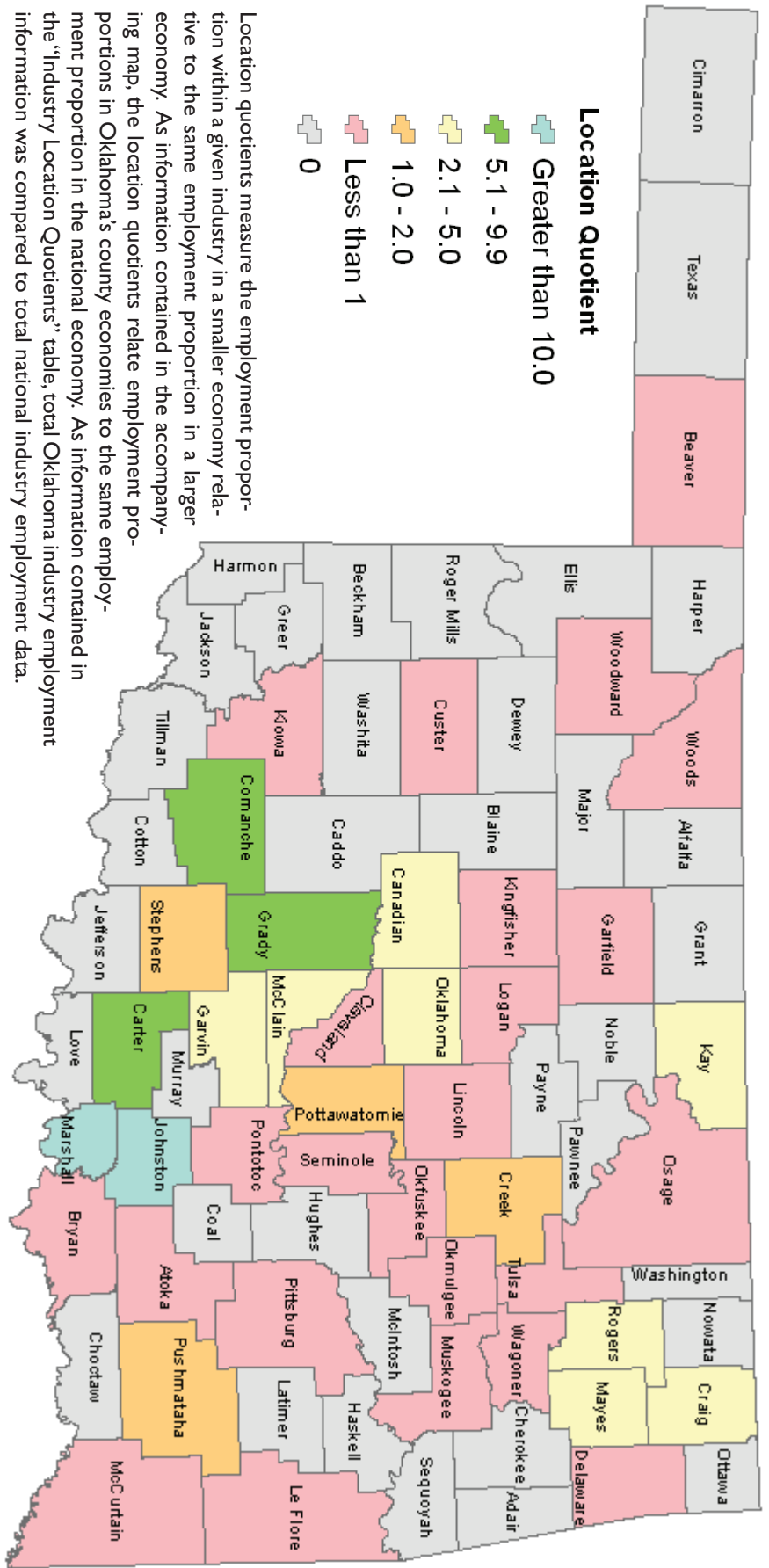
TOTAL AUTOMOTIVE CLUSTER EMPLOYMENT BY COUNTY



AUTOMOTIVE CLUSTER EMPLOYMENT CHANGE 2002-2004



AUTOMOTIVE CLUSTER COUNTY LOCATION QUOTIENTS



Location Quotient

- Greater than 10.0
- 5.1 - 9.9
- 2.1 - 5.0
- 1.0 - 2.0
- Less than 1
- 0

Location quotients measure the employment proportion within a given industry in a smaller economy relative to the same employment proportion in a larger economy. As information contained in the accompanying map, the location quotients relate employment proportions in Oklahoma’s county economies to the same employment proportion in the national economy. As information contained in the “Industry Location Quotients” table, total Oklahoma industry employment information was compared to total national industry employment data.

Location quotients greater than 1.0 indicate that employment in a given industry is more concentrated in the county economy when compared to the national economy. Conversely, location quotients less than 1.0 indicate that industry employment is less concentrated in the county economy when compared to the national economy. Location quotients equal to 1.0 indicate that the employment proportions within a given industry are equal in the county and the national economies.

In the Automotive cluster, Grady county’s location quotient equals 6.39. This indicates that the proportion of people employed in the Automotive cluster in Grady county is 639% of the Automotive employment proportion in the nation as a whole. Conversely, Muskogee county’s location quotient equals 0.72, which indicates that the proportion of people employed in the Automotive cluster in Muskogee county is 72% of the Automotive employment proportion in the nation as a whole.

From the “Industry Location Quotients” table, the location quotient for the Heavy Duty Truck Manufacturing (NAICS 336120) equaled 2.85, which indicates that the proportion of people employed in this industry in Oklahoma is 285% of the same national proportion.

The most current national data available to compute location quotients is from the U.S. Bureau of Labor Statistics for 2004.

AUTOMOTIVE CLUSTER COUNTY STATE LOCATIONS



AUTOMOTIVE CLUSTER INDUSTRIES**326150 URETHANE & OTHER FOAM PRODUCT (EXCEPT POLYSTYRENE) MANUFACTURING**

This industry comprises establishments primarily engaged in manufacturing plastics foam products (except polystyrene).

326211 TIRE MANUFACTURING (EXCEPT RETREADING)

This U.S. industry comprises establishments primarily engaged in manufacturing tires and inner tubes from natural and synthetic rubber.

326212 TIRE RETREADING

This U.S. industry comprises establishments primarily engaged in retreading, or rebuilding tires.

326220 RUBBER & PLASTICS HOSES & BELTING MANUFACTURING

This industry comprises establishments primarily engaged in manufacturing rubber hose and/or plastics (reinforced) hose and belting from natural and synthetic rubber and/or plastics resins. Establishments manufacturing garden hoses from purchased hose are included in this industry.

327215 GLASS PRODUCT MANUFACTURING MADE OF PURCHASED GLASS

This U.S. industry comprises establishments primarily engaged in coating, laminating, tempering, or shaping purchased glass.

336111 AUTOMOBILE MANUFACTURING

This U.S. industry comprises establishments primarily engaged in (1) manufacturing complete automobiles (i.e., body and chassis or unibody) or (2) manufacturing automobile chassis only.

336112 LIGHT TRUCK AND UTILITY VEHICLE MANUFACTURING

This U.S. industry comprises establishments primarily engaged in (1) manufacturing complete light trucks and utility vehicles (i.e., body and chassis) or (2) manufacturing light truck and utility vehicle chassis only. Vehicles made include light duty vans, pick-up trucks, minivans, and sport utility vehicles.

336120 HEAVY DUTY TRUCK MANUFACTURING

This industry comprises establishments primarily engaged in (1) manufacturing heavy duty truck chassis and assembling complete heavy duty trucks, buses, heavy duty motor homes, and other special purpose heavy duty motor vehicles for highway use or (2) manufacturing heavy duty truck chassis only.

336211 MOTOR VEHICLE BODY MANUFACTURING

This U.S. industry comprises establishments primarily engaged in manufacturing truck and bus bodies and cabs and automobile bodies. The products made may be sold separately or may be assembled on purchased chassis and sold as complete vehicles.

336212 TRUCK TRAILER MANUFACTURING

This U.S. industry comprises establishments primarily engaged in manufacturing truck trailers, truck trailer chassis, cargo container chassis, detachable trailer bodies, and detachable trailer chassis for sale separately.

336213 MOTOR HOME MANUFACTURING

This U.S. industry comprises establishments primarily engaged in (1) manufacturing motor homes on purchased chassis and/or (2) manufacturing conversion vans on an assembly line basis. Motor homes are units where the motor and the living quarters are integrated in the same unit.

336214 TRAVEL TRAILER & CAMPER MANUFACTURING

This U.S. industry comprises establishments primarily engaged in one or more of the following: (1) manufacturing travel trailers and campers designed to attach to motor vehicles; (2) manufacturing pickup coaches (i.e., campers) and caps (i.e., covers) for mounting on pickup trucks; and (3) manufacturing automobile, utility and light-truck trailers. Travel trailers do not have their own motor but are designed to be towed by a motor unit, such as an automobile or a light truck.

336311 CARBURETOR, PISTON, PISTON RING & VALVE MANUFACTURING

This U.S. industry comprises establishments primarily engaged in manufacturing and/or rebuilding carburetors, pistons, piston rings, and engine intake and exhaust valves.

336312 GASOLINE ENGINE & ENGINE PARTS MANUFACTURING

This U.S. industry comprises establishments primarily engaged in manufacturing and/or rebuilding gasoline motor vehicle engines and gasoline motor vehicle engine parts, excluding carburetors, pistons, piston rings, and valves.

336321 VEHICULAR LIGHTING EQUIPMENT MANUFACTURING

This U.S. industry comprises establishments primarily engaged in manufacturing vehicular lighting fixtures

336322 OTHER MOTOR VEHICLE ELECTRICAL & ELECTRONIC EQUIPMENT MANUFACTURING

This U.S. industry comprises establishments primarily engaged in manufacturing and/or rebuilding electrical and electronic equipment for motor vehicles and internal combustion engines.

336330 MOTOR VEHICLE STEERING & SUSPENSION COMPONENTS (EXCEPT SPRING) MANUFACTURING

This industry comprises establishments primarily engaged in manufacturing and/or rebuilding motor vehicle steering mechanisms and suspension components (except springs).

336340 MOTOR VEHICLE BRAKE SYSTEM MANUFACTURING

This industry comprises establishments primarily engaged in manufacturing and/or rebuilding motor vehicle brake systems and related components.

336350 MOTOR VEHICLE TRANSMISSION & POWER TRAIN PARTS MANUFACTURING

This industry comprises establishments primarily engaged in manufacturing and/or rebuilding motor vehicle transmission and power train parts.

336360 MOTOR VEHICLE SEATING & INTERIOR TRIM MANUFACTURING

This industry comprises establishments primarily engaged in manufacturing motor vehicle seating, seats, seat frames, seat belts, and interior trimmings.

336370 MOTOR VEHICLE METAL STAMPING

This industry comprises establishments primarily engaged in manufacturing motor vehicle stampings, such as fenders, tops, body parts, trim, and molding.

336391 MOTOR VEHICLE AIR-CONDITIONING MANUFACTURING

This U.S. industry comprises establishments primarily engaged in manufacturing air-conditioning systems and compressors for motor vehicles, such as automobiles, trucks, buses, aircraft, farm machinery, construction machinery, and other related vehicles.

336399 ALL OTHER MOTOR VEHICLE PARTS MANUFACTURING

This U.S. industry comprises establishments primarily engaged in manufacturing and/or rebuilding motor vehicle parts and accessories (except motor vehicle gasoline engines and engine parts, motor vehicle electrical and electronic equipment, motor vehicle steering and suspension components, motor vehicle brake systems, motor vehicle transmission and power train parts, motor vehicle seating and interior trim, motor vehicle stampings, and motor vehicle air-conditioning systems and compressors).

Source: North American Industry Classification System, 2002, Executive Office of the President, Office of Management and Budget.