

The Hoosier Side of Louisville

The Area

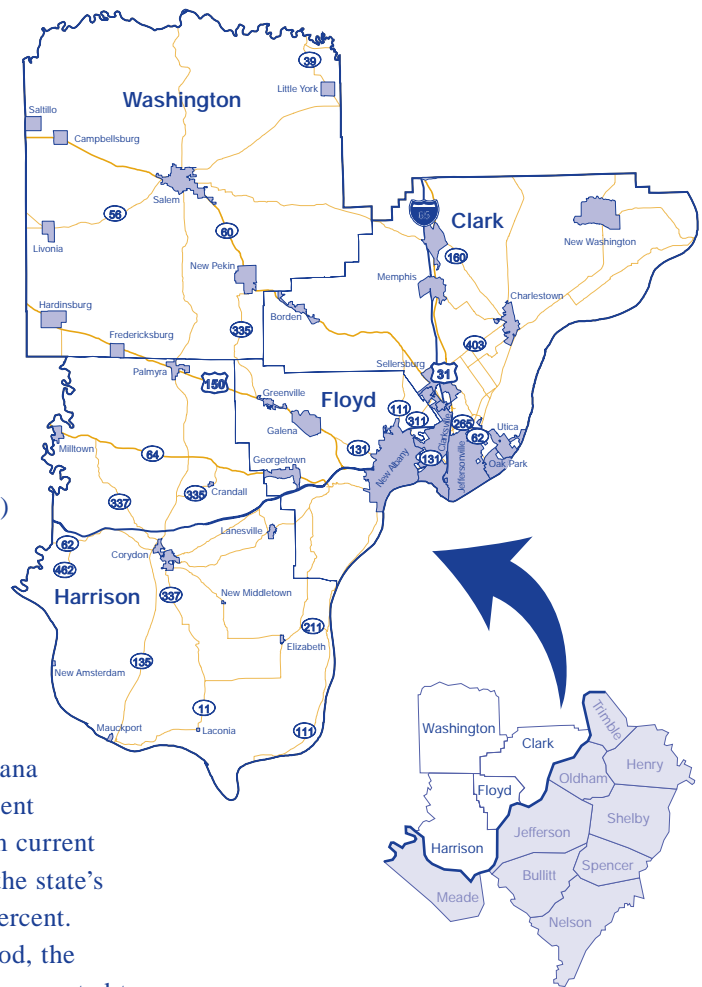
The Louisville Metropolitan Statistical Area (metro) includes nine Kentucky counties and extends north of the Ohio River to encompass Clark, Floyd, Harrison and Washington counties in Indiana. These four Indiana counties contribute over 236,500 people (roughly 20 percent) to the metro's total population, which exceeds 1.2 million. For purposes of this article, analysis will be focused on the Hoosier side of the Louisville region.

Indiana's Clark County, home to Jeffersonville and Clarksville, is the second largest of the 13 counties in the metro with a 2004 population of 100,706. Floyd County follows with a population of 71,543. Half of that county's population lives in New Albany, the largest city on the Indiana side of the metro.

Combined, the four Indiana counties have added about 7,000 residents since 2000. Looking at the percentage

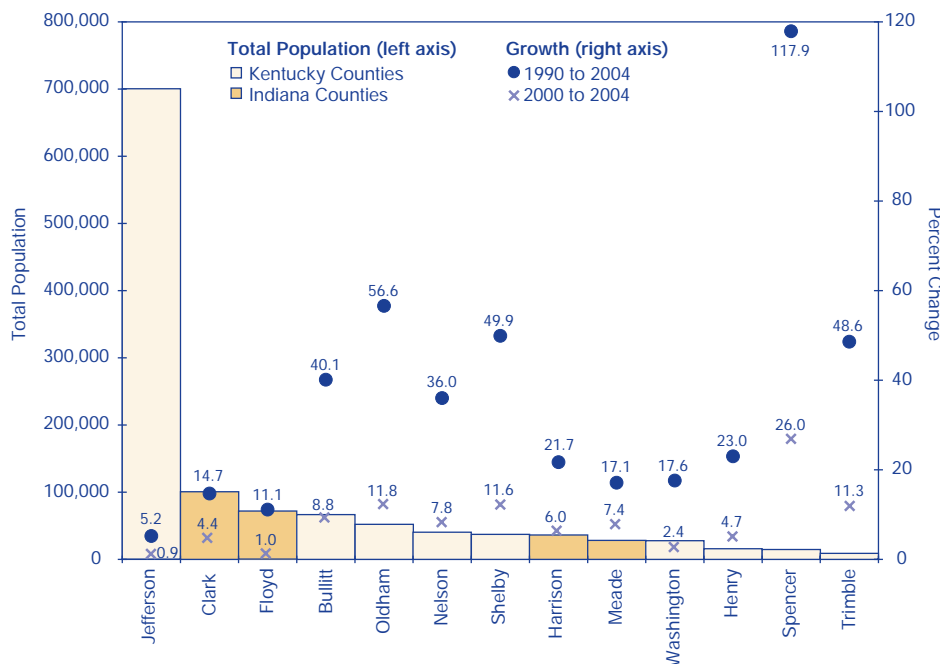
growth from 1990 and the growth from 2000, the Indiana counties have grown slower than many of their Kentucky counterparts (see **Figure 1**). The relatively low growth rates in the metro's three largest counties (Jefferson, Clark and Floyd) are indicative of the strong suburbanization trends in less populated areas.

Population projections from the Indiana Business Research Center indicate that, by 2020, the four Indiana counties will grow 5.8 percent (nearly 13,800 people) from current levels. This is slower than the state's anticipated growth of 8.1 percent. During this same time period, the number of senior citizens is expected to increase about 55 percent from Census 2000 levels; that is significantly faster than the state's overall rate of almost



41 percent. Meanwhile, the region is anticipated to have noteworthy declines in the number of school-age children and young adults.

FIGURE 1: LOUISVILLE'S 2004 TOTAL POPULATION AND GROWTH



Source: IBRC, using U.S. Census Bureau data

Major Industry News

Table 1 shows the region's largest employers. Although the largest single employer in the region is Caesar's Indiana, the four-county region mirrors the state's industrial mix, with manufacturing (19.7 percent), retail trade (13.3 percent) and health care (12.1 percent) being the three biggest industries.

Manufacturing: Major manufacturers include Beach Mold and Tool, JeffBoat, Discount Labels, Pillsbury, FKI Security Group, Gohmann Asphalt and Construction, and Colgate Palmolive.

The June closing of the bankrupt Tower Automotive plant in Corydon and the resulting loss of 600

manufacturing jobs has been a recent shock to the local economy; it was Harrison County's second-largest employer, and over half of its employees resided in the county.¹

On the upside, Canadian-based Martinrea (fluid systems and metal-forming) purchased Corydon's bankrupt Oxford Automotive plant earlier this year, keeping about 300 jobs in the county. In Clark County, MedVenture Technology Corp., a Louisville firm that designs and manufactures medical devices, announced it is relocating to Jeffersonville in the North Port Business Center (one of the state's certified technology parks). About 70 percent of its 156 employees are Indiana residents, and MedVenture plans to expand to over 500 employees in the next five years.² Currently, the average hourly wage at the firm is near \$24.

Retail Trade: Set to open just in time for the holiday season, the River Falls Mall in Clarksville will boast

TABLE 1: MAJOR SOUTHERN INDIANA EMPLOYERS

Company Name	Products or Services	Employment
Caesars Indiana	Resort Hotel and Casino	2,560
New Albany/Floyd County School Corp.	School System	1,700
U.S. Census Bureau	National Processing Center	1,550
Clark Memorial Hospital	Hospital	1,500
Greater Clark County School System	School System	1,250
Floyd Memorial Hospital & Health Services	Hospital	1,200
Beach Mold and Tool	Plastics, Tooling, Moldings and Assembled Parts	986
JeffBoat	Barge Construction	886
Indiana University Southeast	College/University	691
Discount Labels	Labels Manufacturing	665
Pillsbury	Refrigerated Baked Goods	571
FKI Security Group	Fireproof Files, Safes and Security	550
Gohmann Asphalt and Construction	Asphalt Manufacturing	500
Colgate Palmolive	Dental Cream and Other Products	450
Hitachi Cable Indiana	Brake Hose Assembly Manufacturing	430
Koetter Woodworking	Wood Products	400
The Medical Center of Southern Indiana	Hospital	350
American Commercial Lines	Marine Transportation/Communication	284
Green Valley Care Center	Nursing/Retirement Home	258
Kitchen Kompact	Kitchen Cabinets	250
AirGuard of Indiana	Air Filter Manufacturing	235
Adplex Rhodes	Promotional Print Services	235
Wyandot	Snack Foods	230
Silvercrest Children's Development	School/Residential Facility	220
Clarksville Community Schools	School System	217
ESSROC Materials	Cement Manufacturing	207

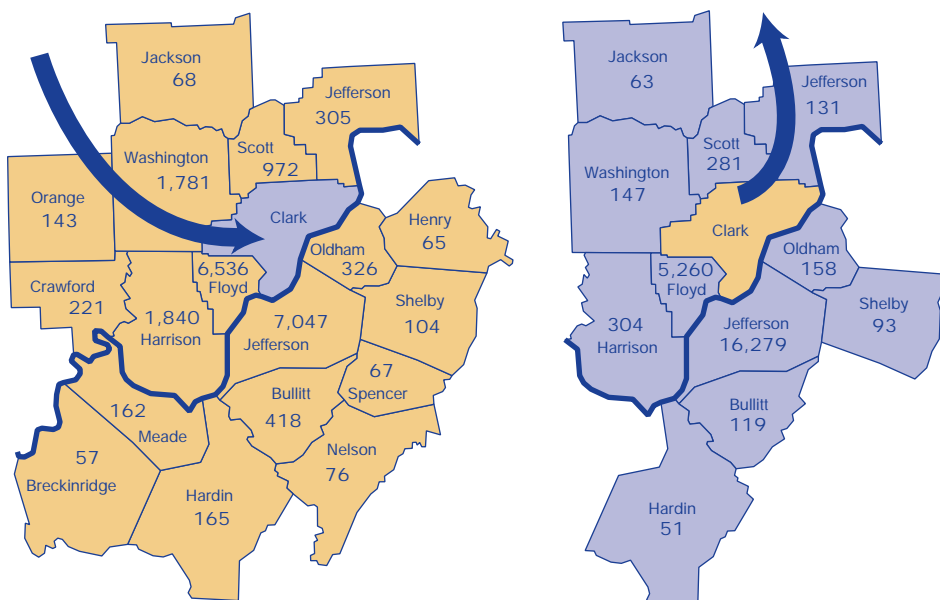
Source: Southern Indiana Chamber of Commerce

a new \$30 million Bass Pro store, complete with its own restaurant, an indoor archery range, an outfitting shop for boats and a 60-foot-tall, 50,000-gallon aquarium.³ The 280,000

square-foot mega-store will be the second-largest Bass Pro store in the nation (behind the flagship store in Springfield, MO). It is expected to be a boon to the tourism market in the area, as its seasonal seminars at other locations have drawn as many as 30,000 to 40,000 people, and it attracts an average of 2.8 million visitors annually.

Health Care: As seen from Table 1, two of the largest employers in the region are the county-owned hospitals in Clark and Floyd counties. A growing concern in the health care field is that private medical facilities will siphon the profitable procedures away from county hospitals, along with patients able to pay their bills, leaving the county hospitals to treat the indigent. In an effort to prevent this, Clark, Floyd and Harrison counties are three of four counties in the state to pass moratoriums on new health care facility construction (with Morgan County being the fourth). Currently, those moratoriums, except for the one in

FIGURE 2: COMMUTERS TO AND FROM CLARK COUNTY, 2000*



*Contiguous Counties
Source: IBRC, using Census 2000 Commuting Flows

Harrison County, are being challenged in federal court.⁴

Commuting

Clark County has the largest commuting flows on the Hoosier side of the border, according to the Census 2000 figures. Eighteen counties had at least 50 people commuting into Clark County, drawing almost 8,500 workers from Kentucky. Meanwhile, over 16,000 Clark County residents worked in Jefferson County, the heart of the Louisville metro (see **Figure 2**).

Wages and Compensation

Overall, the average weekly wage for the four-county region was \$574 for the third quarter of 2004—about \$80 less than the state rate. Compared to Indiana’s other metros, the average wages were higher than those found in the Indiana portion of Cincinnati–Middletown, Bloomington, Terre Haute and Michigan City–La Porte, but lower than the remaining 11 metros in the state.

At the industry level, all were below the statewide level, except for transportation and warehousing, where southern Indiana workers had a \$1 advantage (see **Figure 3**). Three industries accounting for about 3 percent of the total workforce had average weekly wages that were more than \$200 below the Indiana average for that industry: information, professional, scientific and technical services, and mining. Comparing these numbers to those from three years ago (2001:3), shows that all wages have increased, except those in professional, scientific and technical services, which declined by \$28 (a 4.3 percent drop).

When looking at the three industries employing the most workers (manufacturing, retail trade and health care), each saw significant average wage increases. In particular, manufacturing wages rose \$122 (19.2 percent), and health care wages saw a \$90 weekly increase (16.5 percent). Overall, management of companies and enterprises saw the largest increase in

wages, both numerically (\$290) and on a percentage basis (37.1 percent).

Notes

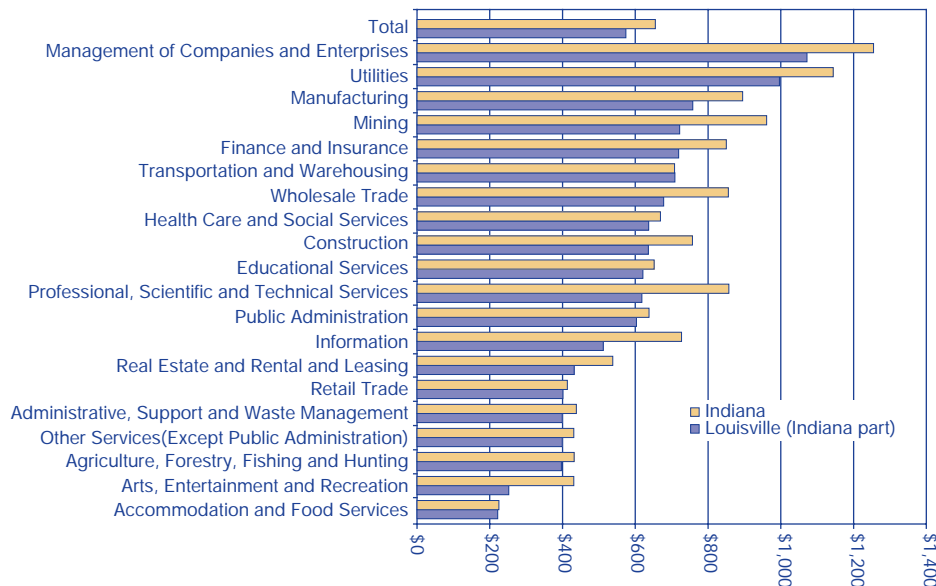
1. Charles Ewry, “What the loss of 600 Tower Automotive jobs will mean for Corydon,” *The Corydon Democrat* 10 June 2005.
2. Larry Thomas, “Jeffersonville woos MedVenture with \$5.5 million bond issue,” *The Evening News* 21 June 2005.
3. John L. Gilkey, “Bass Pro Shops set to open \$30 million store Nov. 14 in Clarksville,” *The Evening News* 2 June 2005.
4. Tom Murphy, “Debate over health care development takes legal twist” *Indianapolis Business Journal* 23 June 2005.

—Rachel Justis, Managing Editor, Indiana Business Research Center, Kelley School of Business, Indiana University

This article is part of an ongoing series covering Indiana’s metropolitan statistical areas. Gain access to this and the 10 previously published metros—Anderson through Lafayette—on the newly redesigned InContext website at www.incontext.edu. As you will see from the schedule below, the four remaining metro areas will all be available by the end of the year:

Month	Featured Metro
September	Michigan City–La Porte
October	Muncie
November	South Bend–Mishawaka
December	Terre Haute

FIGURE 3: WEEKLY WAGES AND COMPENSATION, 2004:3



Source: IBRC, using IDWD Census of Employment and Wage data

