

# Local Economic Analysis of Prairie du Chien and Crawford County

To gain a better understanding of the trade area, it is important to recognize existing trends and conditions of the local and regional economy. Accordingly, this section examines a variety of economic information that describes income and employment trends, sales trends, and other important statistics.

## Prairie du Chien and Crawford County

Prairie du Chien (population 6,018) stands at the intersection of the Mississippi and Wisconsin Rivers, in the southwest corner of Crawford County. Serving as an American fort during the War of 1812, Prairie du Chien is the second oldest city in Wisconsin and its numerous historical sites (5 National Historic Landmarks and 9 Historic Places) preserve its rich heritage and bring tourists from across the Midwest.



Map: Travis Reinke, UW-Extension

Prairie du Chien's location among the bluffs overlooking the Mississippi and Wisconsin Rivers make it a haven for outdoor recreationalists as well as one of the busiest ports on the Mississippi for trade.

## Employment Trends – Personal Income

Personal income trends provide an important measure of economic activity for a local area over time. Personal income consists of the income that is received by persons from participation in production, from government and business transfer payments, and from government interest. When compared to state and national trends, it provides an indication of how well the local area's economy is performing. The following table provides a 10-year tracking of personal income trends for Crawford County. An index of Growth was added to show how different areas have grown since 1996 (i.e. an index of 151% indicates that the personal income has grown 51% since 1996). In this case, Crawford County has lagged slightly behind state and national growth in personal income over the past decade. This provides one indicator of the relative economic health of this region.

### Personal Income Trends Crawford County, Wisconsin, 1996 - 2005

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Crawford (millions)	285	301	322	337	357	368	373	381	409	430
Index	100%	106%	113%	118%	125%	129%	131%	134%	144%	151%
Wisconsin (millions)	121,718	129,099	138,667	144,702	153,548	158,888	163,309	168,120	176,482	183,948
Index	100%	106%	114%	119%	126%	131%	134%	138%	145%	151%
US (billions)	6,512	6,907	7,416	7,796	8,422	8,717	8,873	9,150	9,716	10,221
Index	100%	106%	114%	120%	129%	134%	136%	141%	149%	157%

Source: U.S. Dept. of Commerce, Bureau of Economic Analysis, Regional Accounts Data, Local Area Personal Income

## Employment Trends – Earnings Mix

While personal income trends relate a community's relative economic health as a whole, the earnings in various sectors provide a snapshot of the industry mix in an area. Earnings include wage and salary disbursements, other labor income and proprietor's income (both farm and non-farm). Furthermore, comparing the numbers for a local area to those of a larger area, such as an entire state or nation point to differences in the local economy that may be useful in subsequent market analysis steps. As with personal income trends, these figures are also available through the Bureau of Economic Analysis at: <http://www.bea.gov/regional/reis/>

### Earnings Mix Comparison – 2005

Industry Sector	Crawford County	Wisconsin	US
Farm	1.2%	0.6%	0.3%
Mining, Forestry, Fishing	0.4%	0.3%	1.0%
Construction	3.1%	5.5%	5.6%
Manufacturing	27.9%	23.4%	13.3%
Wholesale Trade	3.4%	5.5%	5.5%
Retail	18.1%	6.5%	6.7%
Transportation	2.9%	3.5%	3.2%
Information	0.4%	2.2%	3.4%
F.I.R.E.	2.2%	7.1%	9.1%
Services	24.3%	28.8%	32.2%
Government	16.5%	16.2%	18.8%

Source: Bureau of Economic Analysis, Compensation of employees by NAICS industry, 2005

Analyzing the earnings mix data, we see that Crawford County shows a very manufacturing-heavy employment base. This is not surprising as Wisconsin itself has a manufacturing-reliant economy. The various service-related industries contribute one-quarter of total employee compensation – surprising for a more rural county like Crawford.

### Employment Trends – Labor Force and Unemployment

Labor force and unemployment data provide important information on the size and stability of a local economy. The following data describes both employment and unemployment trends.

**Crawford County Civilian Labor Force Estimates, 1997-2006**

Year	Crawford County			Unemployment Rate (%)		
	Civilian labor force	Employment	Unemployment	Crawford County	Wisconsin	U.S.
1997	9,730	9,368	362	3.7	3.5	5.3
1998	10,366	9,975	391	3.8	3.3	4.6
1999	10,052	9,683	369	3.7	3.1	4.3
2000	9,170	8,839	331	3.6	3.4	4.0
2001	9,340	8,866	474	5.1	4.4	4.2
2002	9,285	8,774	511	5.5	5.3	5.7
2003	9,285	8,774	511	5.5	5.3	5.8
2004	9,401	8,896	505	5.4	5.0	5.7
2005	9,591	9,119	472	4.9	4.8	5.2
2006	9,938	9,462	476	4.8	4.7	4.7

*Source: Wisconsin Department of Workforce Development, Labor Force Estimate*

From the table above, Crawford County has shown an unemployment rate slightly higher than that of Wisconsin and slightly lower than the United States average over the past decade. Rates have fallen over the past four years, mirroring state and national trends of increased employment post-9/11.

### Employment Trends – Local Firm Employment

An analysis of local employers provides insight into the types of larger businesses in the area that may provide drawing power. Furthermore, identifying these employers, their number of employees, and their locations may help in later analysis, as they aid in determining daytime employee populations for the trade area.

Crawford County’s largest employers are comprised of a mix of industries. The balance between goods producers and services providers is apparent - manufacturers comprise five of the ten largest employers, which makes sense for a county in a manufacturing intensive region within a manufacturing intensive state. Services are also prominent, accounting for three of the top 10 employers.

### Top 10 Employers in Crawford County

Establishment	Product or Service	# of Employees (Dec. 2005)
Cabela's Wholesale	Mail-order houses	1,000+
3M Company	Abrasive product manufacturing	500-999
Miniature Precision Components	All other plastics product mfg.	500-999
Design Homes	Prefabricated wood building mfg.	250-499
Wal-Mart	Discount department stores	250-499
Prairie du Chien Memorial Hospital	General medical & surgical hospitals	250-499
Prairie Industries	Packaging & labeling services	100-249
Cabela's Retail	Sporting goods stores	100-249
Dillman Equipment	Construction machinery mfg.	100-249
Wyalusing Academy	Residential mental & substance abuse care	100-249

Source: DWD, Bureau of Workforce Information, Quarterly Census of Employment and Wages

Like its top employers, its top employing industries show variety between goods-producers and services-providers. Three of the top five employing businesses are in the manufacturing sector, as is the only company to employ more than 1,000 workers. Even in a manufacturing-heavy state like Wisconsin, Crawford County stands out, with manufacturing, transportation and utilities industries accounting for over 50 percent of total employment and 23 percent of total payroll. Service sector industries, most notably health facilities are also preeminent in the Crawford County employment market.

### Tourism in Crawford County

Crawford County is located within the Southwestern Rural Region. Crawford County has a wide variety of outdoor activities that includes historic sites, 16,000 acres of public land, first-class golf courses, fishing, snowmobiling, hiking and biking. Tourism plays a vital role in Crawford County and supports businesses that cater to tourism such as resorts, motels, campgrounds, B&Bs and retail stores. The economic impact of tourism has wide-reaching effects across Crawford County. Some specific tourism impacts noted by the Wisconsin Department of Tourism include:

- Crawford County ranks 19th in the State for traveler spending.
- Travelers spent an estimated \$160 million in Crawford County in 2006 – a 4.3% increase over the previous year.
- Fourteen percent of all expenditures were made in the winter, which amounted to \$23 million; 20% were made in the spring (\$31 million); 46% in the summer (\$74 million) and 20% in the fall (\$32 million).
- Traveler spending in 2006 supported 4,119 full-time equivalent jobs.

Crawford County falls into what the Wisconsin Department of Tourism calls the Southwestern Rural region of Wisconsin which includes the counties of Adams, Buffalo, Crawford, Crawford, Grant, Green, Green Lake, Iowa, Jackson, Juneau, Lafayette, Marquette, Monroe, Pepin, Richland, Trempealeau, Vernon and Waushara. In this region, 83% of all visitors were on a leisure trip, 13% were on a personal business trip, and 4% were attending a meeting or

convention – together spending \$1.2 billion in 2006. The table below breaks down traveler spending for the Southeastern Rural region by category.

**Travel expenditures (in millions) by category:**

Lodging Type	Food	Shopping	Recreation	Lodging	Transportation	Total
Hotels, Motels, Resorts, B&Bs	\$107	\$122	\$107	\$91	\$30	\$457
Cabins	\$16	\$20	\$12	\$17	\$5	\$69
Campgrounds	\$44	\$67	\$56	\$29	\$26	\$223
Family & Friends	\$110	\$135	\$83	--	\$29	\$357
Day Visitors	\$24	\$29	\$19	--	\$5	\$74

*Source: Wisconsin Department of Tourism, 2006 Economic Impact Fact Sheets, Southwestern Rural Wisconsin Region*

**Retail Sales Trends, County-Level Analysis**

Understanding retail sales trends entails an analysis of the strengths and weaknesses of the existing retail market. By understanding the performance of the local retail market, local leaders and development practitioners can foster a more conducive environment for retail business development. This also becomes a base for further market analysis that will help current and future business operators make more informed business decisions.

The performance of the local retail market can only be estimated at the county level in Wisconsin due to data availability. A surplus/(leakage) analysis can be calculated that estimates whether the county has captured its fair share of retail dollars based on its population and per capita income. It should be kept in mind that surplus/(leakage) analysis is based on averages. Many times there are mitigating circumstances, such as proximity to large population centers, interstate highways, or regional shopping centers that will cause market potential to deviate substantially from actual market conditions. Hence, this analysis should be viewed as only one means to examining local retail markets. Using Steven Deller’s “An Updated Trade Area Analysis of Wisconsin Counties for 2006” (updated August 2007), surplus/(leakage) in sales is calculated below.

- *State Per Capita Expenditures* = State Retail Sales / Population = \$10,522
- *Index of Income* = County Per Capita Income / State Per Capita Income = 0.781
- *Trade Area Captured* = Actual Sales / (State Per Capita Sales \* Index of Income) = 25,389
- *Pull Factor* = Trade Area Captured / County Population = 1.492
- *Potential Sales* = State Per Capita Sales \* County Population \* Index of Income = \$110,765,314
- *Surplus (Leakage)* = Actual Sales – Potential Sales = \$54,499,086

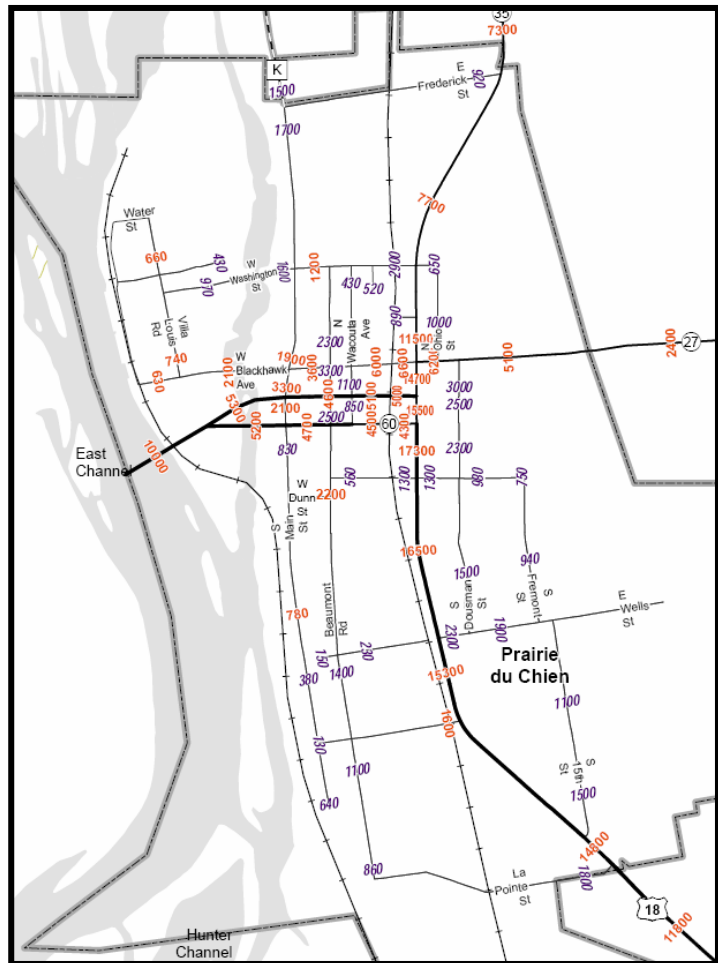
The index of income is 0.781, showing relatively low buying power compared to the state. In fact, only nine counties have an index of income above 1.0. Because actual sales are higher than potential sales, however, Crawford County is said to have a \$54,499,086 surplus in the retail market.

County-level surplus/(leakage) analysis provides important background information to help understand the current competitive situation (at the county level). In short, it describes whether a county is capturing its fair-share of sales and sales tax receipts. However, these tools are suggestive and should not be used as the sole means of understanding county economic trends. The user must remember that market areas rarely follow the boundaries of a county. They do not provide sufficient detail to gauge market support for specific business expansion or development opportunities.

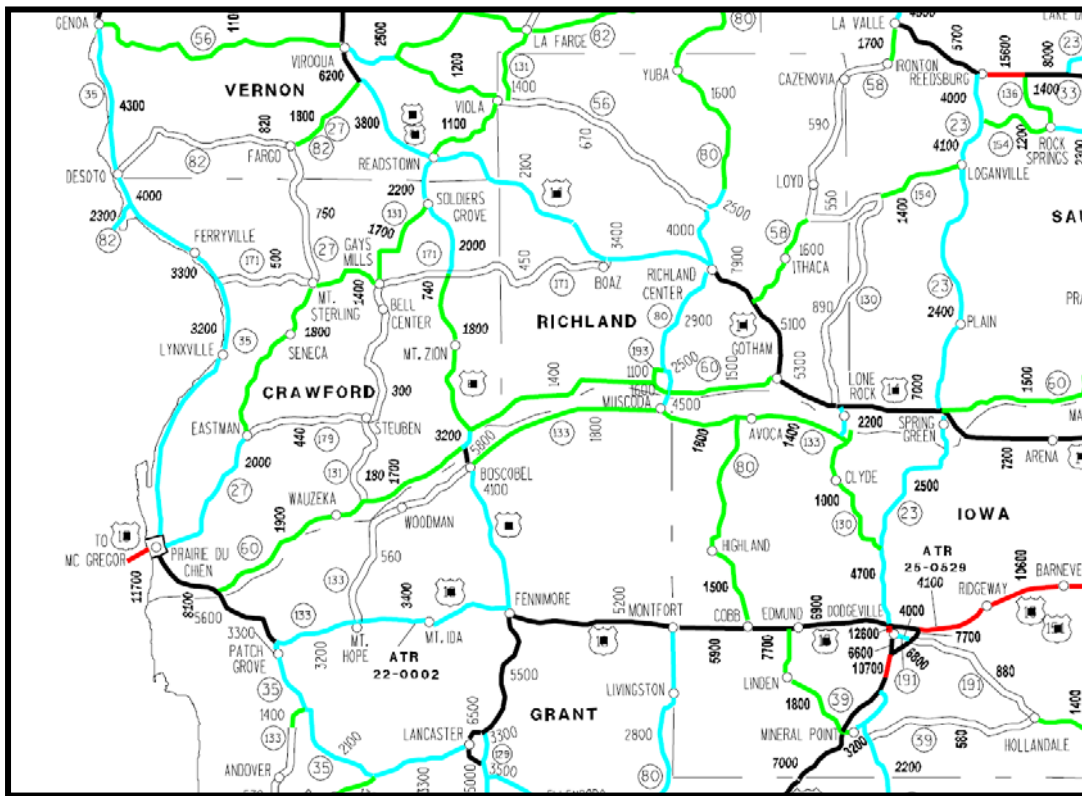
## Traffic Patterns

Street and highway traffic volume provides an important indicator of travel to a downtown area. Retailers typically seek locations on major arteries and often require minimum average daily traffic counts to survive. More specifically, businesses such as gasoline stations, convenience stores and fast food restaurants are located based on traffic volume and the access to and visibility from high traffic streets and highways. Subsequently, examining the counts aids in determining the feasibility of these types of businesses. Prairie du Chien counts come from 2005 DOT data. Statewide counts come from 2002 data.

- U.S. Highway 18 draws 16,500 vehicles daily south of downtown; 10,000 vehicles east of downtown; 17,300 vehicles downtown.
- County Highway 35 draws 7,700 vehicles daily north of downtown; 15,500 vehicles downtown.
- County Highway 27 draws 5,100 vehicles daily east of downtown; 6,600 vehicles downtown (via East Blackhawk Avenue).
- County Highway K draws 1,700 vehicles daily north of downtown; 3,300 vehicles downtown.
- Prairie du Chien draws a similar level of daily traffic as nearby communities Dodgeville (12,600) and Darlington (10,300) and upwards of three times as much traffic as any other community in Crawford County.



Maps: WI DOT



## Commuting Patterns

Identifying and tracking commuting patterns is a labor market concept that refers to worker flows between municipalities and/or counties. These commuting patterns highlight the counties that have a strong economic base and are able to attract workers from surrounding communities and counties. Conversely, it demonstrates which areas lack local employment opportunities for their residents or perhaps serve as “bedroom” communities that may offer a greater number of, and perhaps more affordable, housing options in comparison to other locations.

- In 2000, approximately 72% percent (5,896) of the 8,181 employed Crawford County residents worked within Crawford County (see table).
- In the same year, 2,285 working residents of Crawford County commuted out of the county for work, whereas 2,253 workers from other counties traveled into Crawford County to work. The result is a net loss of 32 Crawford County working age residents to other counties for employment.
- Crawford County’s residents primarily traveled to the neighboring counties of Grant, Vernon, and Clayton (IA) for work. These counties accounted for over 61 percent of commuting workers (1,397 out of 2,285). Meanwhile, 1,741 workers from these three counties commuted to Crawford County, resulting in a net gain of 344 workers from these counties.

**County-to-County Worker\* Flow, Crawford County, 2000**

County	County Residents Commute to	County Workers Commute from	Net Commute
Grant	782	837	+55
Vernon	351	167	-184
Clayton, IA	264	737	+473
La Crosse	164	82	-82
Richland	153	52	-101
Dane	99	3	-96
Allamakee, IA	90	246	+156
Iowa	36	11	-25
Elsewhere	346	118	-228
<b>Total</b>	<b>2,285</b>	<b>2,253</b>	<b>-32</b>
Work within Crawford	5,896		

*\*Workers 16 years old and older  
Source: U.S. Census Bureau, 2000; WDOA; BLRPC, 2006*

**Economic SWOT Analysis**

The following is a summary of community SWOT meeting conducted on March 12 and 27, 2003 obtained from the Prairie du Chien Comprehensive plan. The items shown below were deemed “most critical” by meeting participants and drawn from a larger list of strengths, weaknesses, opportunities, and threats that can be viewed in its entirety here: [http://www.prairieduchien-wi.gov/downloads/city\\_hall/comp\\_plan/Appendix%20C%20-%20Swot%20Analysis.pdf](http://www.prairieduchien-wi.gov/downloads/city_hall/comp_plan/Appendix%20C%20-%20Swot%20Analysis.pdf).

Strengths:

- Work Ethic
- Sense of Community
- Good quality of life
- Recreational opportunities
- City/State/Federal/County parks and wildlife
- Natural beauty

Weaknesses:

- Zoning (sporadic)
- Fear of moving ahead
- “Ugly” appearance
- Lack of responsive/accountable City government
- Vacant properties
- Railroad cuts the City
- Lack of professional paying jobs
- Lack of expansion space for business/residential development

Opportunities:

- Downtown destination
- Organized/structured growth
- Development of St. Feriole Island
- Bluff protections
- Intergovernmental cooperation

Threats:

- Business moving out of City
- Bluff development
- Fear of change
- Loss of shared revenue
- Low wages
- Out of town shopping – downtown conversion to office space