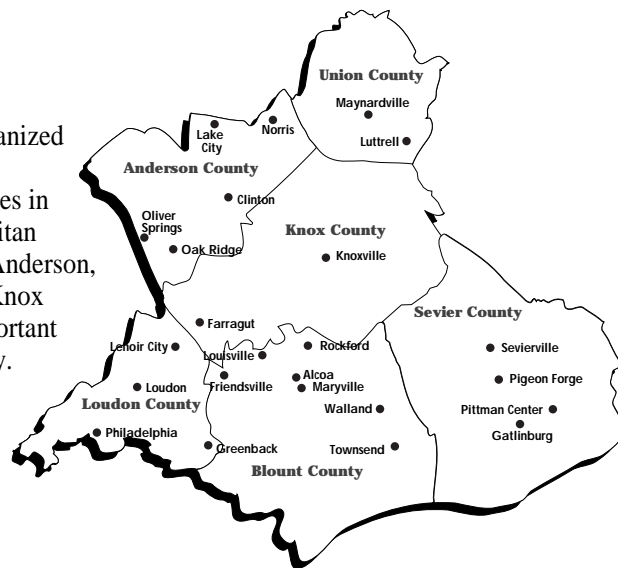


The Metro Economy

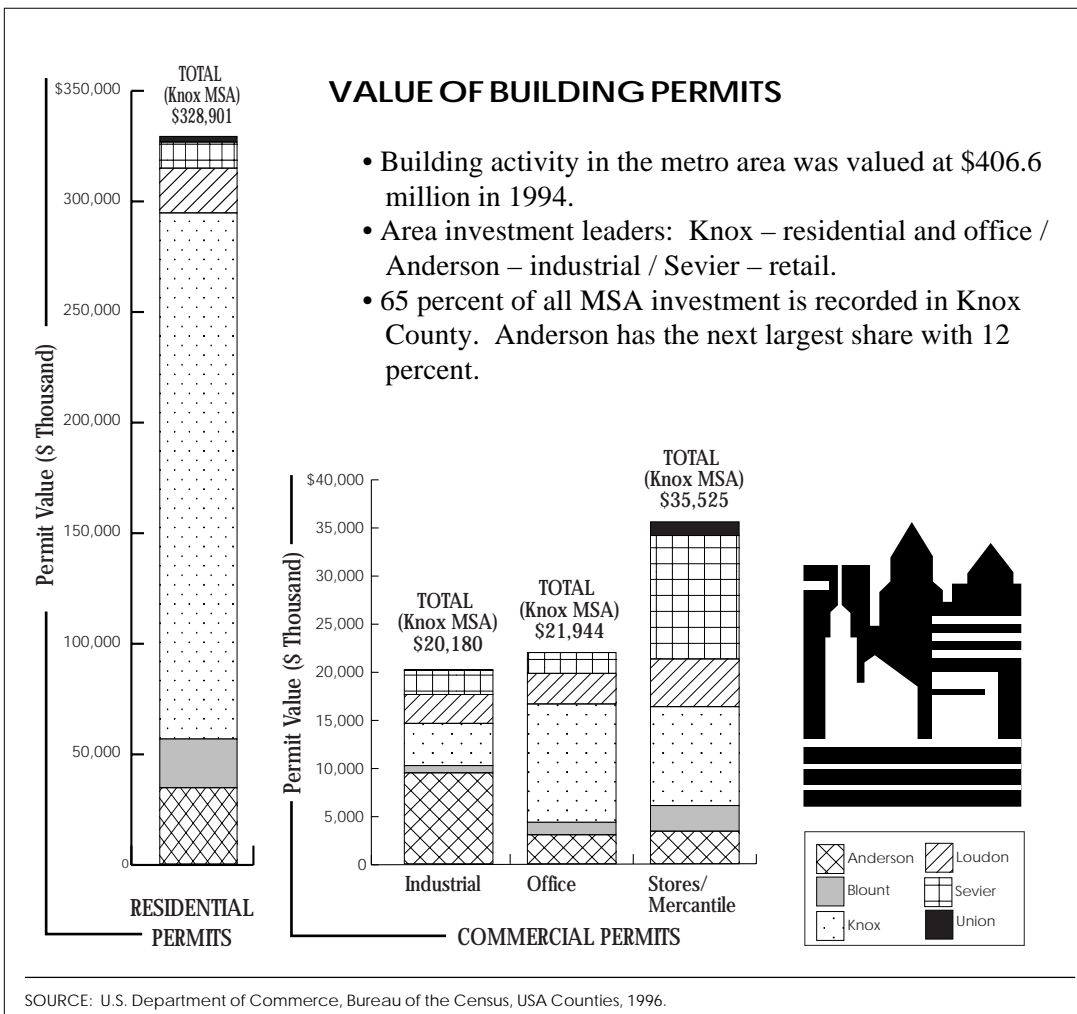
February 1998

Contact:
Gretchen Beal
Terry Gilhula

The U.S. Bureau of the Census designates large urbanized areas as "metropolitan" based on the economic ties between incorporated places and the adjacent counties in which they are found. The Knoxville, TN metropolitan statistical area (MSA) is comprised of 6 counties: Anderson, Blount, Knox, Loudon, Sevier, and Union. While Knox dominates in most indicators, all 6 counties are important contributors to the strong and healthy local economy.

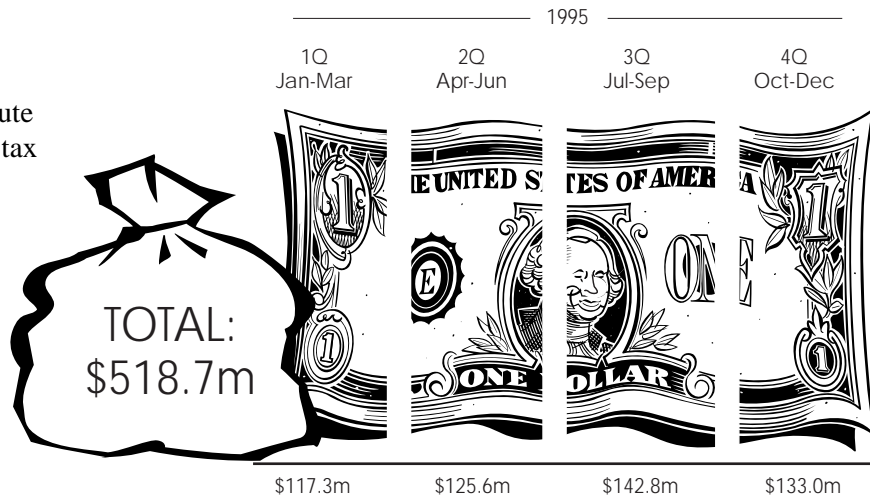


(Note: The boundaries of the Knoxville MSA were redefined in 1993, replacing Jefferson and Grainger Counties with Loudon. Some of the information provided in this report covers years prior to 1993, so all data were aggregated to match the current boundary.)

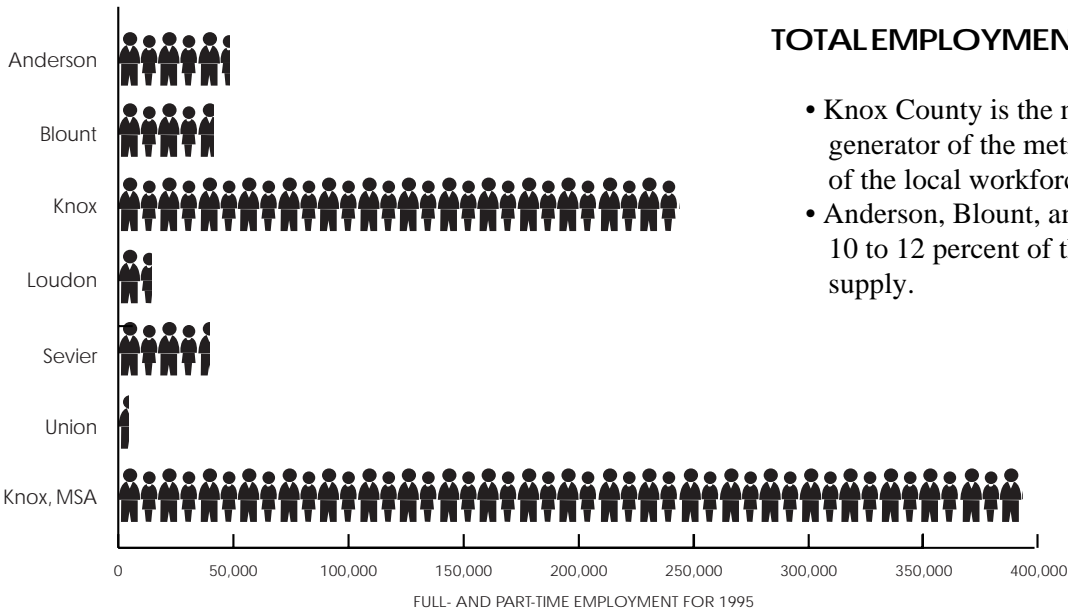


SALES TAX RECEIPTS

- Summertime purchases contribute about 28 percent of local sales tax revenues.
- Winter holiday season is the second largest generator of sales tax dollars.
- A stronger economy is signaled by more consumer spending – sales tax income increased 28.4 percent between 1993 and 1995.



SOURCE: Tennessee Department of Revenue/ETDD, 1996.



- Knox County is the major employment generator of the metro area – 62 percent of the local workforce is found in Knox.
- Anderson, Blount, and Sevier each have 10 to 12 percent of the metro's labor supply.

SOURCE: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System, 1997.

EMPLOYMENT BY SECTOR

- Knoxville MSA's top ranking employment sectors: services, retail, and manufacturing. The same industries lead across the country, while Tennessee averages show manufacturing in second, ahead of retail.

SIC	SECTOR	% Share of Area Total							TN	US
		Anderson	Blount	Knox	Loudon	Sevier	Union	Knox, MSA		
07	AFF	0.2	0.3	0.6	1.0	0.5	0.3	0.5	0.4	0.6
10	Mining	0.6	(D)	0.2	0.2	0.0	0.2	0.2	0.2	0.6
15	Construction	4.9	5.5	5.6	3.4	5.8	4.7	5.4	4.6	4.9
20	Manufacturing	23.8	26.0	14.7	39.3	11.7	65.9	18.0	25.5	18.7
40	TCPU	4.6	3.6	5.5	8.4	1.4	3.6	4.9	6.0	5.9
50	Wholesale Trade	1.1	5.0	8.1	3.4	1.3	4.2	6.1	6.2	6.6
52	Retail Trade	15.9	27.4	24.7	19.2	39.6	9.9	24.7	20.6	21.0
60	FIRE	2.6	4.9	4.9	5.7	7.4	3.5	4.8	5.3	7.2
70	Services	46.3	27.1	35.7	19.4	32.2	7.8	35.3	31.0	34.4
99	Unclassified	0.0	(D)	0.1	0.1	(D)	(D)	(D)	0.1	0.1

NOTES: 1. (D) Data not disclosed.
 2. Figures for Government employment are not reported in County Business Patterns.
 3. See page 4 for SIC labels.

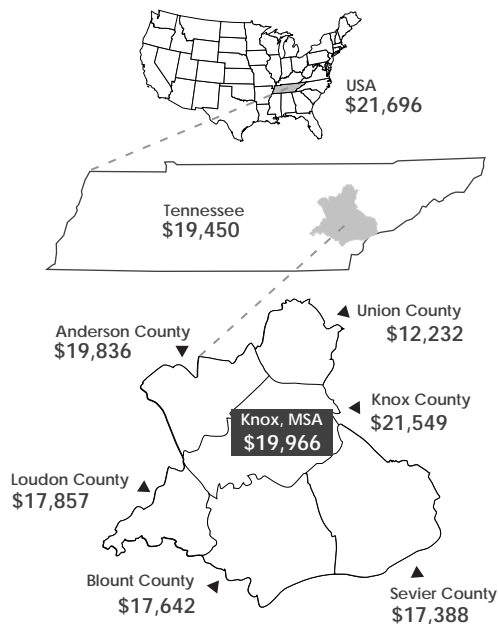
SOURCE: U.S. Department of Commerce, Bureau of the Census, County Business Patterns, 1993-1994, released 1996.

EMPLOYMENT

- Metropolitan employment expanded 48 percent from 1980 to 1995.
- Knoxville MSA labor forces grew faster than Tennessee and U.S. levels in every period since 1985. Each 5-year period since 1980 saw 8 to 17 percent increases.
- Since 1990, Knoxville MSA employment figures rose 17.2 percent, outpacing the state average of 13.1 and national rate of 7.4 percent.

Year	Knox, MSA	TN	US
1980	267,208	2,256,794	113,725,800
1985	288,749	2,415,171	124,194,800
1990	336,429	2,776,716	138,981,300
1995	394,456	3,140,011	149,290,100

SOURCE: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System, 1997.



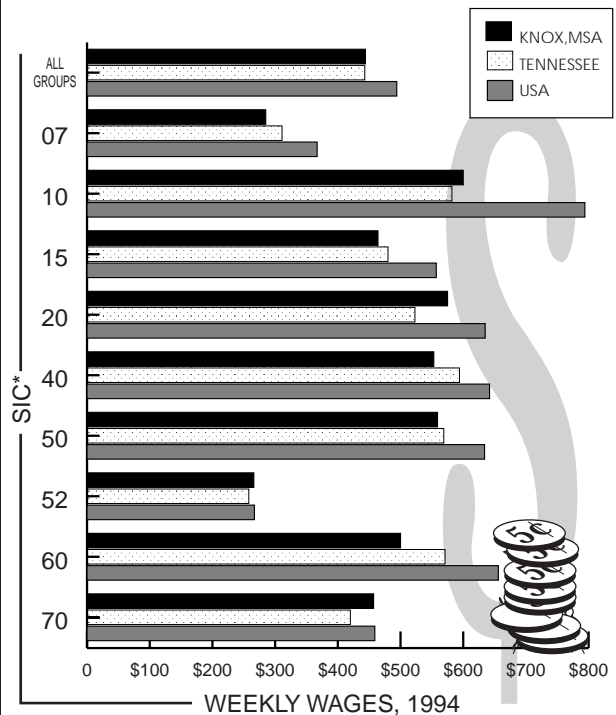
PERSONAL INCOME

- Knoxville County incomes are consistent with the national average.
- Loudon County recorded lower than average wages in retail, services, wholesale, and FIRE.
- Dependence on low-wage manufacturing jobs in Union County contributes to its weak income figures.
- Retail industry lead strong Sevier and Blount economies, but its jobs are low-paying.

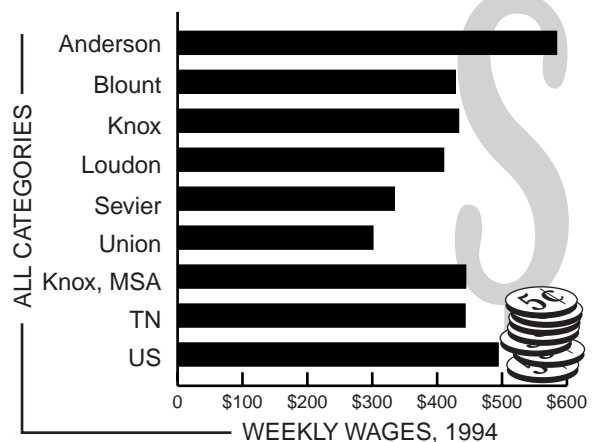
SOURCE: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System, 1996.

WEEKLY WAGES

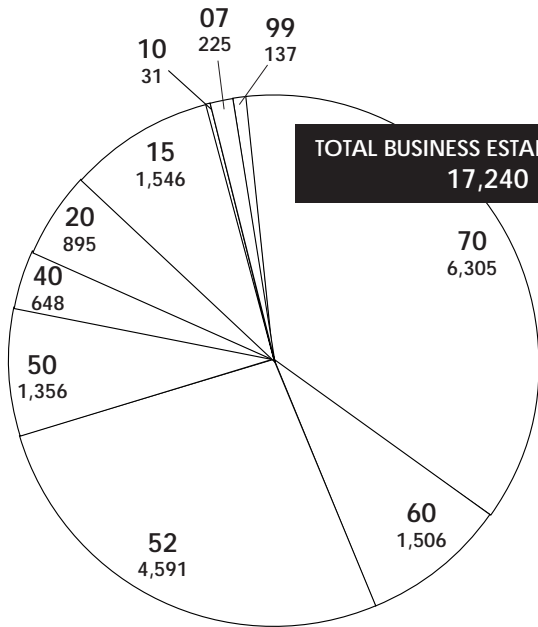
- Anderson County leads all other local counties, TN, and the U.S. in pay. The average Anderson worker earns \$584.59 per week.
- Union County wage rates are below all other areas, in all economic categories.
- Knoxville MSA's 2 largest employment sectors, services and retail, pay the lowest wages. The same is true for Tennessee and the U.S.
- The local manufacturing sector is the 3rd largest employer and second highest paying.



*See SIC Legend on page 4.



SOURCE: U.S. Department of Commerce, Bureau of the Census, County Business Patterns, 1993-1994, released 1996.



OF BUSINESS ESTABLISHMENTS BY CATEGORY, KNOX, MSA*

ESTABLISHMENTS

- The top 2 employment sectors (services and retail trade) also hold the largest number of establishments in the metro area. Manufacturing establishments are fewer, but average number of workers per business is much larger.
- The construction sector emerged as the 3rd largest in number of establishments. It has the 5th greatest share of employment, and wages are slightly above the metro average.

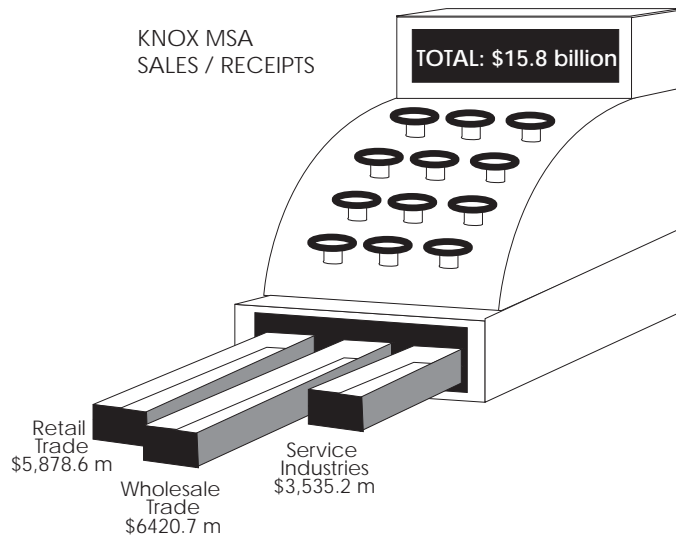
*See SIC Legend below.

SOURCE: U.S. Department of Commerce, Bureau of the Census, County Business Patterns, 1993-1994, released 1996.

BUSINESS SALES/RECEIPTS

- Retail trade is the biggest revenue generator in Blount, Loudon, Sevier, and Union Counties.
- Anderson County's private-sector revenues come largely from service industries.
- Wholesale trade receipts lead in Knox County, consistent with the largest money generators in Tennessee and the U.S.
- Knox County sales/receipts comprise 70 percent of the MSA total.

SOURCE: U.S. Department of Commerce, Bureau of the Census, USA Counties, 1996.



STANDARD INDUSTRIAL CLASSIFICATION (SIC) LEGEND



SIC	CATEGORY
07	Agricultural Services, Forestry, Fishing
10	Mining
15	Construction
20	Manufacturing
40	Transportation, Communications, Public Utilities
50	Wholesale Trade
52	Retail Trade
60	Finance, Insurance, Real Estate
70	Services
99	Unclassified Establishments