



DECEMBER 2022

# ECONOMIC SUMMARY



*Sarah Davasher-Wisdom*

# FROM THE DESK OF THE CEO

Dear Top Investor,

As we wind down 2022, I want to update you on the state of our regional economy. Even with talks of a looming recession throughout most of the year, our economy has continued to grow and surpass expectations. Although businesses are dealing with inflationary pressures and navigating workforce shortages, our region continues to bring in new investment and jobs. Key highlights of our third quarter results include:

- GLI helped create 977 new direct jobs and retain 154 jobs that were subject to leaving the market absent economic development support, which resulted in the investment of over \$255 million. The total anticipated economic impact is over \$418 million.
- GLI is closing the year with 30 potential attraction and expansion projects in our pipeline which represent over 7,000 potential new jobs across 15-counties.
- The Louisville MSA unemployment rate remains competitive at 3.2 percent in November lower than the national average of 3.7 percent. This number will be closely tracked in the new year as economists predict slowed growth or a recession.

Going into 2023, there remains a degree of uncertainty of how the national economy and labor market will change. A few weeks ago, GLI hosted a conversation with Jim Bullard, president of the Federal Reserve Bank of St. Louis, who indicated there may be additional interest rate hikes. All signs point to a period of slow growth or small recession that should have minimal and short-term impact on unemployment rates and may help normalize the labor market and costs of doing business.

GLI is committed to helping every business and our entire region navigate these difficult economic times. We have a plethora of resources available to meet your talent needs and our advocacy team continues to pursue policies to address underlying causes of workforce shortages and support businesses impacted by ongoing supply chain disruptions and inflation. Please do not hesitate to reach out if there is anything specific we can do for you.

Sincerely,

Sarah Davasher-Wisdom



Where we are  
**TODAY**

## 2022 ECONOMIC DEVELOPMENT PROJECT WINS

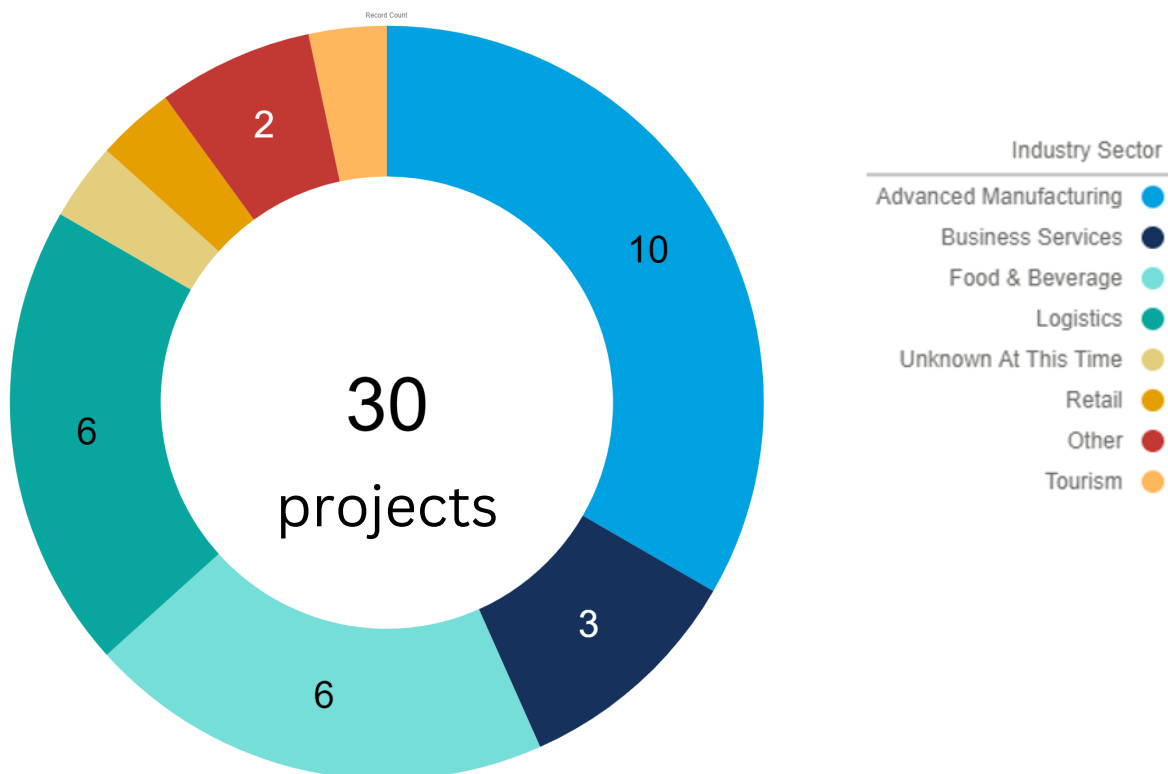
So far this year, GLI assisted in locating and expanding 12 projects that represent 977 new direct jobs and 154 retained jobs that were subject to leaving the market absent economic development support. This totaled just over \$255 million worth of investment in the regional economy. Using economic input-output analysis tools, we estimate these 1,131 new/retained direct jobs will lead to the creation of an additional 518 indirect and 469 induced jobs. In total, we anticipate the impact of these jobs in the regional economy to be just over \$418 million. The industries that will see the largest growth as a result of these projects are the logistics and transportation, manufacturing, and food and beverage industries.

Economic Impact of Projects	GLI 15 County Region	Employment (Number of Jobs)	Labor Income	Value Added	Output
<b>Total Impact of Project Jobs on the Region</b>		<b>2118</b>	<b>\$ 129,320,123</b>	<b>\$ 184,977,650</b>	<b>\$ 418,170,623</b>
Direct Impact		1131	\$ 73,542,436	\$ 95,749,167	\$ 255,421,347
Indirect Impact		518	\$ 32,097,355	\$ 47,543,123	\$ 90,584,295
Induced Impact		469	\$ 23,680,332	\$ 41,685,360	\$ 72,164,981

Source: Implan

## ECONOMIC DEVELOPMENT PIPELINE

We are ending the year with 30 business attraction and expansion projects in our pipeline, including projects we are directly managing and those that have been referred to our partners. These projects represent 7,313 potential new jobs for our region across a variety of industry sectors. While the bulk of the jobs are in manufacturing, we continue to see an increase in the number of potential technology jobs.



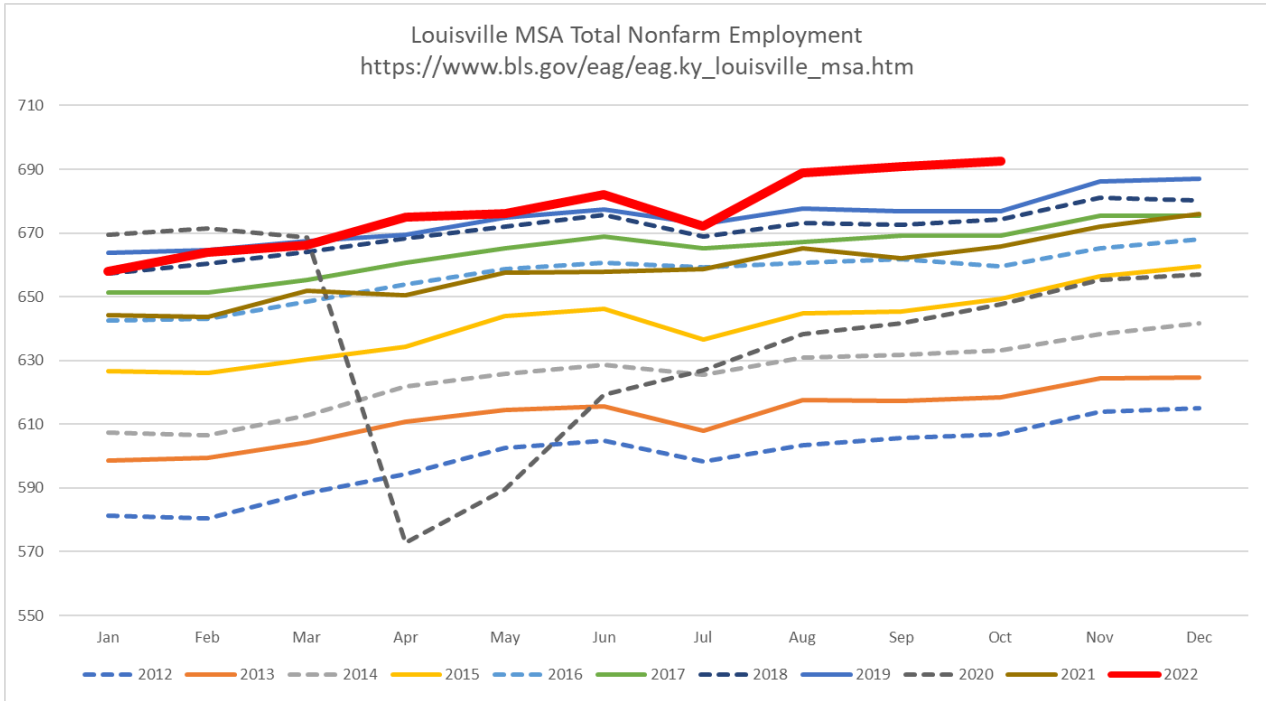
## ECONOMIC DEVELOPMENT PIPELINE

GLI's economic development team works with site consultants, brokers, utility partners, state officials, and companies directly to assist with business growth opportunities in Greater Louisville. Below is GLI's current economic development project pipeline for prospective companies we've supported beyond a direct hand-off to a local partner.

Active Date	Industry Sector	Project Type	Amount	Total Jobs
1/21/2022	Advanced Manufacturing	Attraction		0
8/22/2022	Advanced Manufacturing	Referral	\$350,000,000.00	800
11/14/2022	Advanced Manufacturing	Attraction		0
11/17/2022	Advanced Manufacturing	Attraction	\$100,000,000.00	40
8/2/2021	Advanced Manufacturing	Attraction	\$800,000,000.00	2000
2/18/2022	Advanced Manufacturing	Attraction	\$20,000,000.00	250
6/24/2022	Advanced Manufacturing	Attraction		40
9/3/2021	Advanced Manufacturing	Expansion		0
5/4/2021	Advanced Manufacturing	Attraction	\$52,000,000.00	350
8/31/2021	Advanced Manufacturing	Attraction	\$300,000,000.00	510
10/19/2022	Business Services	Attraction		30
10/10/2022	Business Services	Attraction		0
4/26/2022	Business Services	Attraction		300
7/20/2022	Food & Beverage	Expansion		0
11/7/2022	Food & Beverage	Expansion		0
11/19/2021	Food & Beverage	Expansion		0
7/1/2022	Food & Beverage	Attraction	\$24,000,000.00	350
2/18/2022	Food & Beverage	Attraction	\$260,000,000.00	700
9/21/2021	Food & Beverage	Attraction	\$72,600,000.00	160
12/1/2022	Logistics	Attraction	\$75,000,000.00	25
6/17/2022	Logistics	Expansion	\$100,000,000.00	1000
7/20/2021	Logistics	Attraction	\$10,000,000.00	538
7/9/2021	Logistics	Attraction		120
1/13/2022	Logistics	Attraction		15
3/21/2022	Logistics	Attraction	\$15,000,000.00	40
7/28/2022	Other	Attraction		0
8/30/2022	Retail	Attraction		0
2/25/2022	Other	Special Project		0
1/5/2022	Other	Special Project		0
9/23/2022	Tourism	Attraction		45

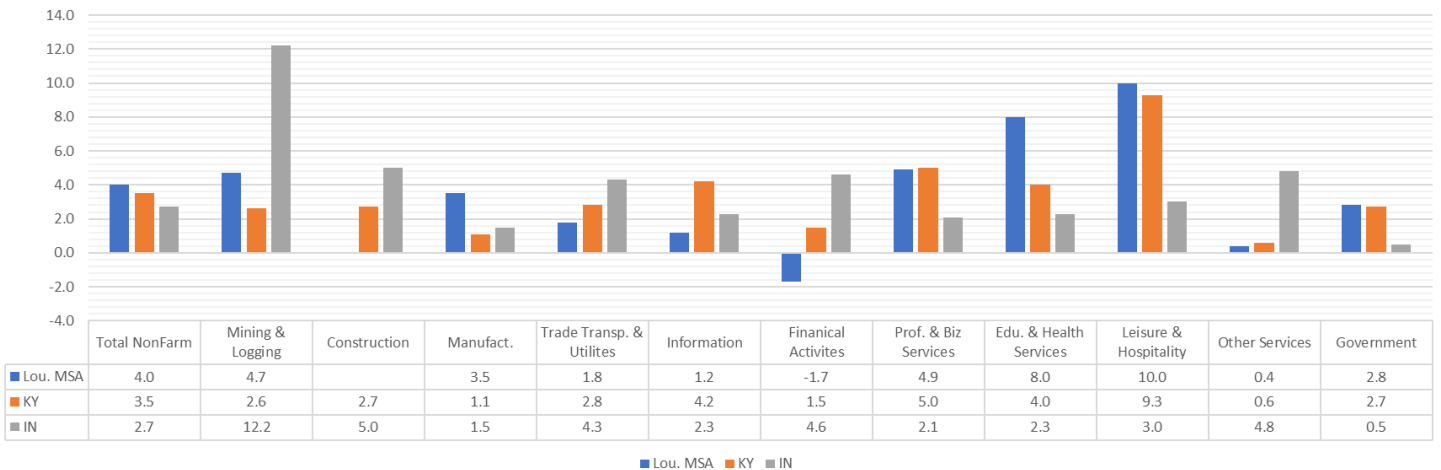
## LOUISVILLE EMPLOYMENT RATE

Employment growth in the Louisville MSA surpassed pre-pandemic levels in April of 2022. Since April Louisville MSA has seen a steady increase in employment growth with (3.9% growth year over year) and are on track to end the year with the highest employment numbers recorded in the last ten years.



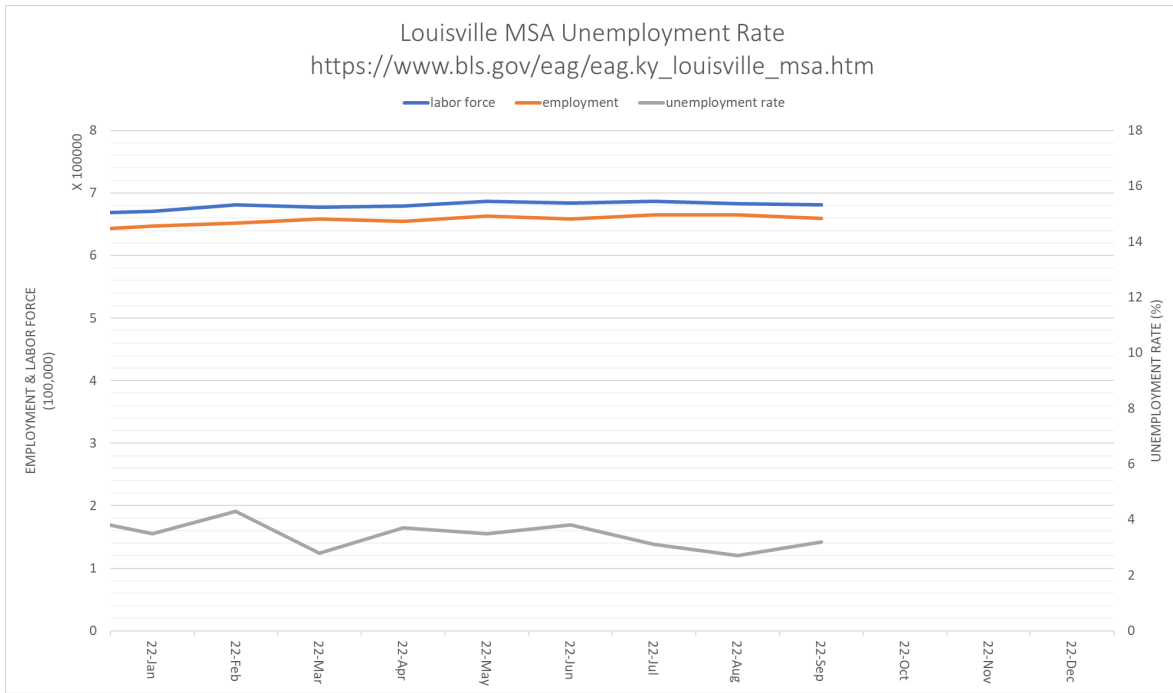
The leisure & hospitality industry continues to make massive strides and lead employment growth with 10 percent in the third quarter, followed by Education & Health Services (8 percent growth) and Professional & Business Services (4.9 percent growth). Employment growth and consumer spending continue to increase despite the rise in interest rates by the Federal Reserve. This suggests additional increases may be expected in the future.

**12 Month Employment % Change by Industry**  
 (October 2022 Preliminary Numbers)  
[https://www.bls.gov/eag/eag.ky\\_louisville\\_msa.htm](https://www.bls.gov/eag/eag.ky_louisville_msa.htm)

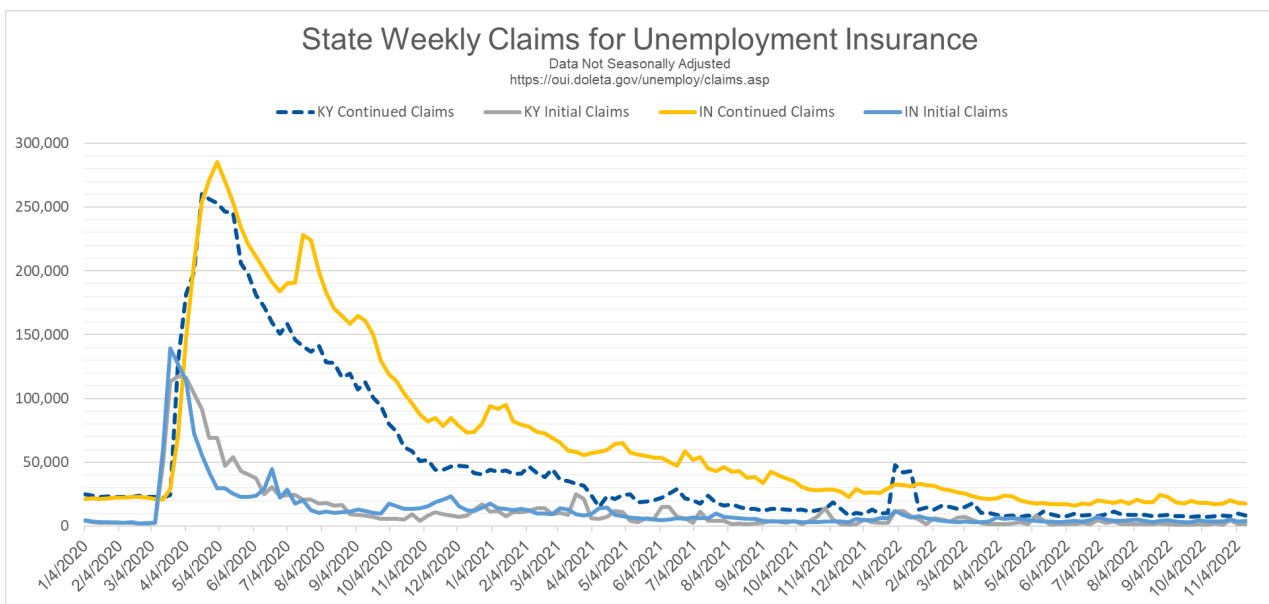


## UNEMPLOYMENT RATE

November's Bureau of Labor & Statistics' unemployment report indicates Louisville MSA's unemployment rate remained steady, with a slight month to month increase in October to 3.2 percent (September 2.7 percent, August 3.1 percent), while still outpacing the national average of 3.7 percent. The low unemployment rate coupled with high demand for talent across industries sectors has introduced concerns nationwide of the rising costs to secure talent.



Both Kentucky and Indiana experienced overall low rates in Unemployment Insurance claims. However, with signs that national economic growth will slow in 2023 as the Federal Reserve signals a need to continue to raise interest rates to stave off inflation, this will be a key number to watch in the upcoming months.



## STARTUPS

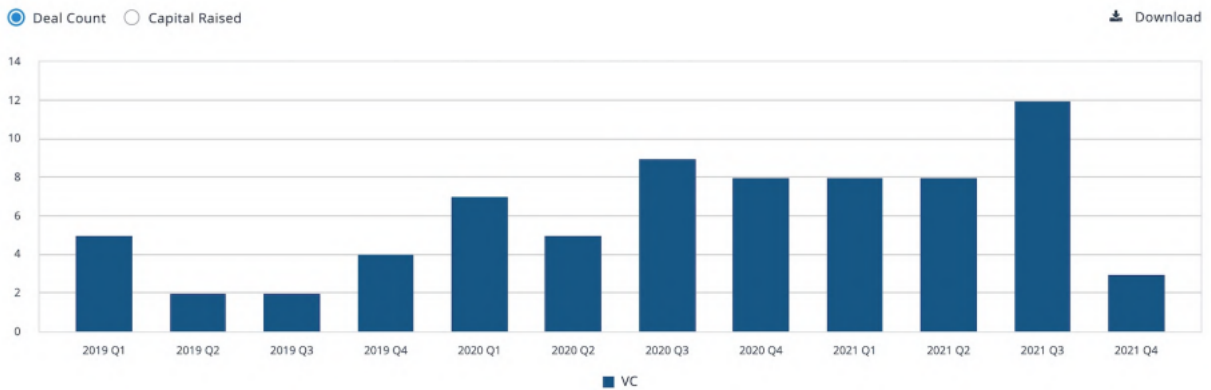
One of GLI's priorities is to catalyze a regional entrepreneurial ecosystem to help diversify the economy and take advantage of emerging opportunities. A thriving startup community has a huge impact on business and talent attraction efforts and results. According to the 2019 to 2021 data gathered by Render Capital in their Regional Venture Data analysis, 128 deals were made in the Louisville area with a total of \$191.89 million invested.

Top players in the space include Render Capital, The Vogt Awards, and Keyhorse Capital.

### Quick Stats

<b>73</b> Companies	<b>128</b> Deals	<b>111</b> Investors	<b>1</b> Exit	<b>\$100.00M</b> Largest Deal	<b>\$191.89M</b> Capital Invested	<b>\$6.50M</b> Med Post Val
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### Investments Over Time



[View All Data](#)

### Market Map Preview

Information Technology	Total Raised: \$42.9M	Consumer Products and Services (B2... Total ... : \$23.2M	Business Products and Services (B2... Total ... : \$127.1M
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### Companies to Watch

New Entrants	Most Capital Raised	Most Likely Fundraising
 <b>OrgVitals</b> Founded 2021 Total Raised \$300.00K	 <b>Black UX Labs</b> Founded 2020	 <b>Timeout</b> Founded 2020
 <b>Pavr</b> Founded 2020 Total Raised \$120.00K	 <b>eJOOV</b> Founded 2020 Total Raised \$940.00K	 <b>Repaytient</b> Founded 2020 Total Raised \$230.00K

### Top Players

Investors	Private Companies
 <b>Render Capital</b> Deal Count 21 Last Deal Date 01-Oct-2022	 <b>The Vogt Awards</b> Deal Count 13 Last Deal Date 20-Aug-2021
	 <b>Keyhorse Capital (KSTC)</b> Deal Count 11 Last Deal Date 01-Oct-2022

# CONTACT

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**GREATER LOUISVILLE**



**REGIONAL PARTNERSHIP**

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