
Demographic and Business Overview

of the Town of

Franklinton, Louisiana

Prepared for the
Franklinton
Chamber of Commerce

July 2008



Southeastern Louisiana
University
Business Research Center
& College of Business

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July 29, 2008

The Southeastern Louisiana University Business Research Center (BRC) is jointly operated by the Southeast Louisiana Business Center and the Southeastern College of Business. The BRC provides applied economic analyses and research studies that aid business and economic development efforts for the five-parish Northshore region of southeast Louisiana. The Center represents one aspect of the University's commitment to economic development in the region.

The Center is located in the Southeast Louisiana Business Center on Martens Drive, two blocks west of the main campus of Southeastern Louisiana University. The Business Research Center is a proud member of the Association for University Business and Economic Research (AUBER) and the Council for Community and Economic Research (C2ER).

The Franklinton Chamber of Commerce commissioned the BRC in May 2008 to do a demographic and business analysis of the Town of Franklinton. The following study was conducted using generally accepted research methods, models and techniques.

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Sincerely,

A handwritten signature in black ink that reads 'William Joubert'. The signature is written in a cursive style with a prominent loop at the end of the last name.

William Joubert
Director
Business Research Center

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Executive Summary

Franklinton, Louisiana, the parish seat of Washington Parish, had a population of 3,824 in 2007. A 5-mile radius centered on Franklinton had an estimated population of 7,392, approximately 16% of the total population of Washington Parish.

The median age of Franklinton residents increased from approximately 32 years of age in 1990 to an estimated 38.4 years of age in 2007. Franklinton has a greater proportion of older females than either Louisiana or the United States.

Education levels of Franklinton residents have increased over time, with the percentage of high school graduates increasing from 32.7% in 1990 to 37.2% in 2007. The percentage of residents who pursued some level of education beyond high school increased from 24.2% to 30.8% over the same time period. Although the percentage of Franklinton residents with a graduate or professional degree (8.4%) was very similar to that of the U.S. (8.9%), the percentage of residents with a Bachelor's degree (7.8%) was much lower than the national average of 15.7%.

Based on U.S. Census Data for 1999, 24% of families and 31% of individuals in Franklinton had incomes below the poverty level. This was a decline from 35% and 39%, respectively, in 1989. Approximately 49% of Franklinton households have incomes below \$25,000, 28% have incomes from \$25,000-\$49,999, and 23% have household incomes of \$50,000 or more. Household incomes in Franklinton have grown at about the same rate from 1989-2007 as the state as a whole, but remain at only 63-64% of the statewide average.

Based on 2007 data, a much lower percentage (46.9%) of Franklinton residents (age 16+) were in the labor force than at the state (60%) and national (64.3%) levels. Approximately 4.9% of Franklinton residents were unemployed in 2007, and 42% of residents were employed in civilian occupations.

Health services, educational services, and retail trade are the top 3 industries for employment in Franklinton and the 5-mile radius. Compared to the entire state, Franklinton has greater proportions of employees in Retail Trade, Educational Services, Other Services, and Professional/Scientific/Technical Services, and lower percentages in Finance, Insurance, and Real Estate (FIRE), Accommodation and Food Services, Arts/Entertainment/Recreation, and Wholesale Trade.

The percentage of employed Franklinton residents who worked in Washington Parish declined from 54% in 2002 to 45% in 2004, while the percentage who worked in St. Tammany Parish increased from 13.5% to almost 20% over the same time period.

Franklinton's occupation license fees, which are based on prior year business receipts, increased 68% from 1999 to 2007. The largest annual increases were in 2000 (+13%) and 2006 (+20%).

A retail trade analysis of the 5-mile radius centered on Franklinton indicated a total retail surplus of \$29 million, with the largest surpluses in Gasoline Stations, Food and Beverage Stores, Health and Personal Cares Stores, and Motor Vehicle and Parts Dealers. Sectors with leakages over \$1 million included Electronics and Appliance Stores, Foodservice and Drinking Places, Non-Store Retailers, and Building Material/Garden Equipment Stores.

Introduction

In order to gauge the strengths and challenges of a community which will affect prospects for future economic growth and development, it is important to first know the current status and recent trends of demographic and business indicators.

This study utilizes secondary data sources from the U.S. Census Bureau, Claritas Incorporated, ReferenceUSAGov, Environmental Systems Research Institute (ESRI), and the Louisiana Department of Transportation and Development to create a “snapshot” of current conditions in Franklinton and to illustrate the recent trends of several important factors.

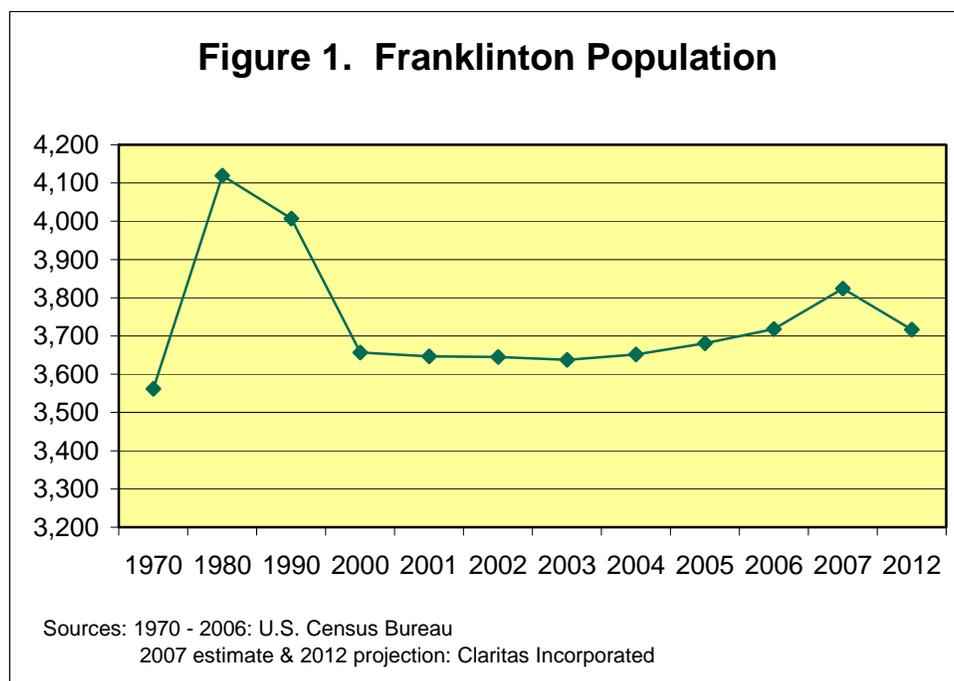
This analysis will contribute to an informed decision-making process as Franklinton’s business and civic leaders and public officials seek to enhance the economic prospects and quality of life for Franklinton’s residents and businesses.

Background and Demographics

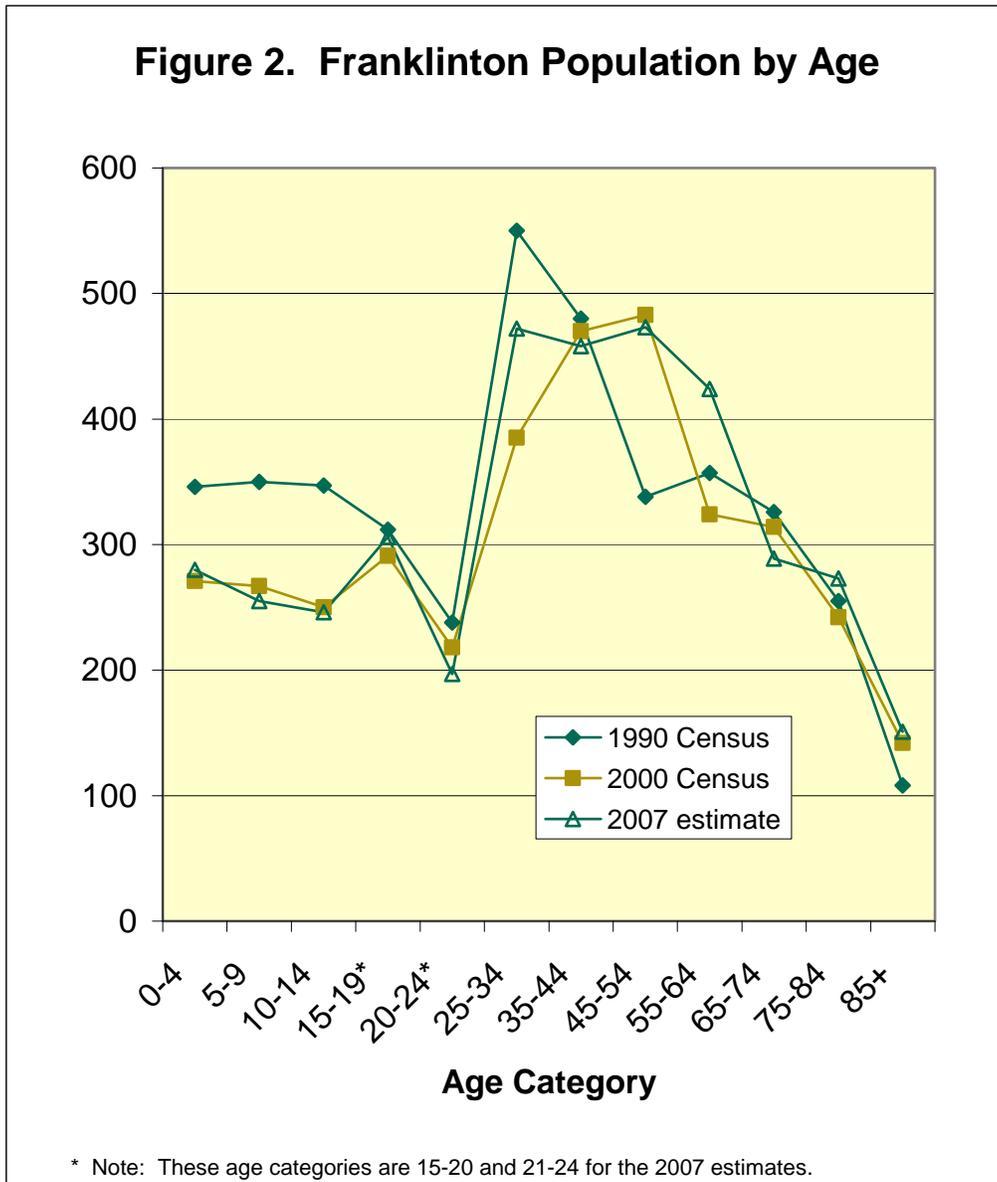
The Town of Franklinton, Louisiana was founded in 1819, the same year that Washington Parish was created by carving off a portion of St. Tammany Parish. Franklinton was named the parish seat of Washington Parish on February 10, 1821.

Population

The estimated population of Franklinton declined from 4,007 in 1990 to a modern low of 3,638 in 2003, but increased to 3,824 by 2007 (see Figure 1). (Note that the x-axis in Figure 1 is not to scale.) The population is projected to decline slightly over the next 5 years.

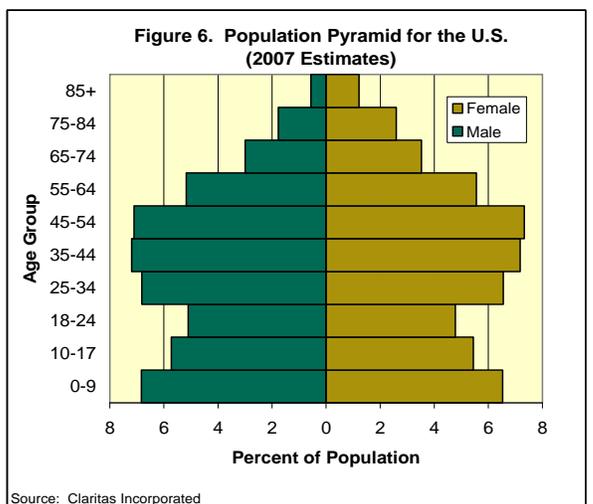
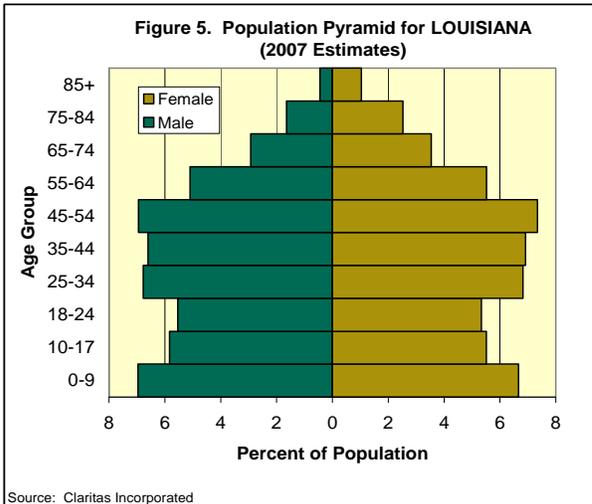
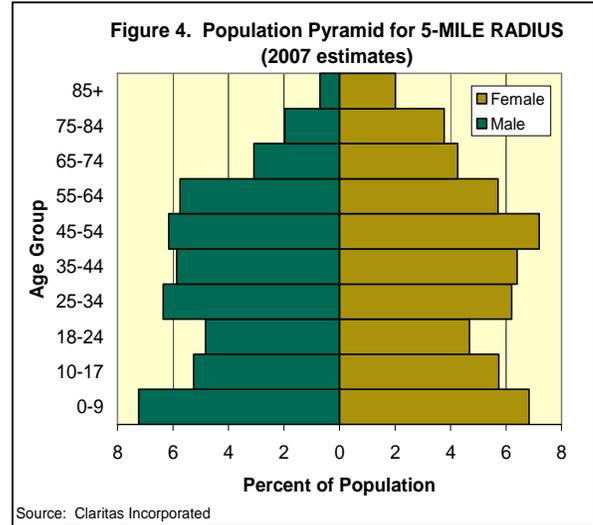
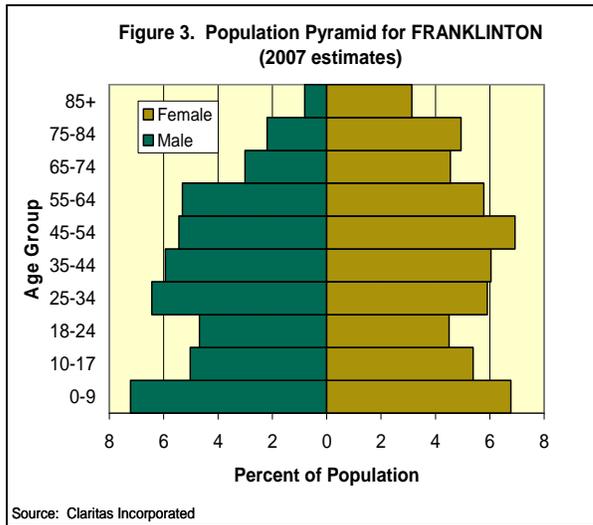


When Franklinton's population is analyzed by age category (Figure 2), there are significantly fewer children and teenagers in the more current estimates than when the 1990 Census was conducted. The right side of the population curve in Figure 2 can be seen to be shifting to the right over time, as the adults in the population age. The median age of Franklinton residents increased from approximately 32 years of age in 1990 to 38.0 years of age in 2000 and an estimated 38.4 in 2007. Two interesting differences in the 2007 estimates are the substantial increases in the number of 25-34 and 55-64 year olds compared to the 2000 Census. These increases may be due to Katrina-related relocation and/or the escalation of real-estate values in St. Tammany Parish.



In order to measure the population in the “greater Franklinton” area, a radius of 5 miles was drawn with the center at 1434 Washington Street (approximately the intersection of Washington Street and 15th Avenue). The population within the 5-mile circle was estimated at 7,392 for 2007. With an estimated Washington Parish population of 44,920 in 2007, approximately **16% of Parish residents (1 in 7) live within 5 miles of Franklinton.** (A map illustrating the 5-mile radius is included in the appendix.)

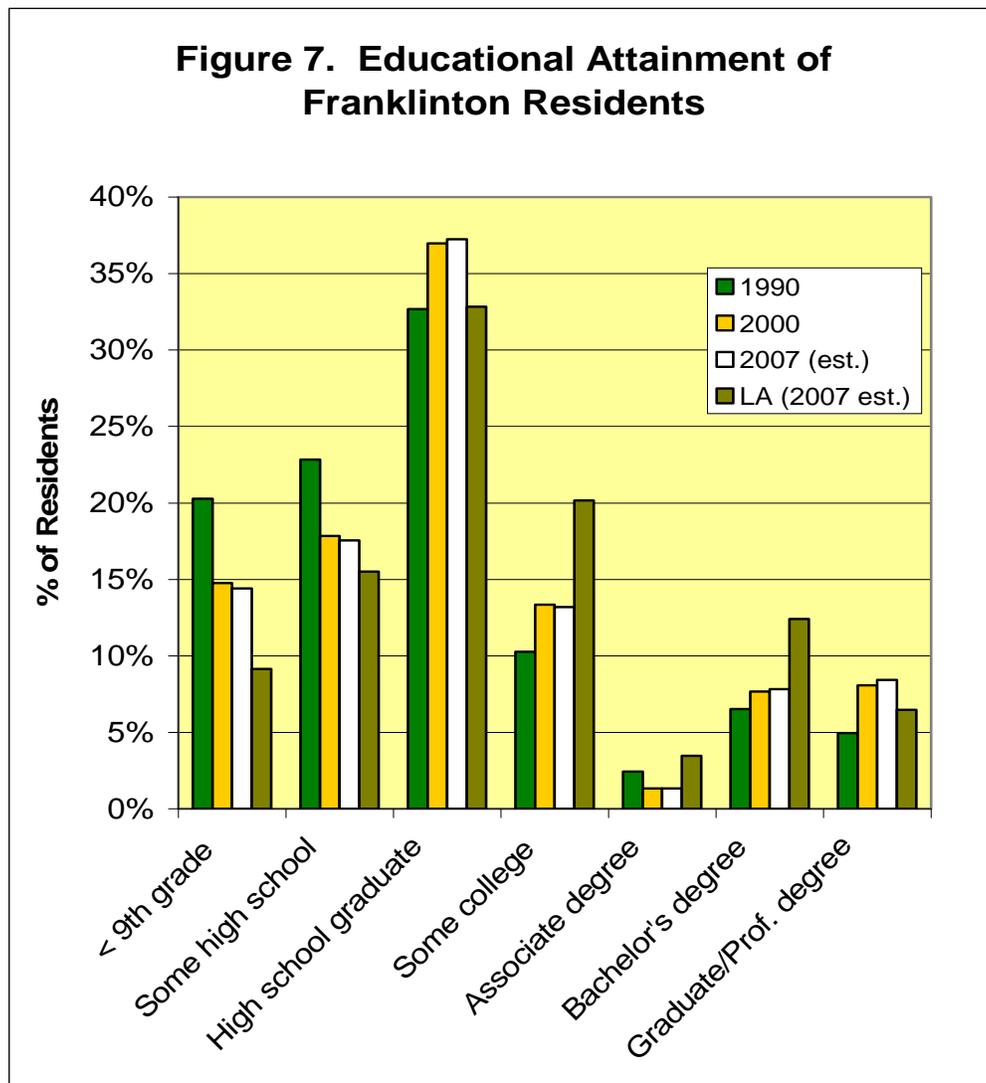
Figures 3-6 illustrate the population pyramids of Franklinton, the 5-mile radius around (and including) Franklinton, the state of Louisiana, and the United States. Comparing the pyramids, it can be seen that Franklinton’s population (and the 5-mile radius around it, to a lesser degree) have larger proportions of older females than the state or nation.



Education Levels of Franklinton Residents

The education levels of Franklinton residents have generally increased since 1990 (see Figure 7). From 1990 to 2007, the percentage of residents with less than a high school diploma declined from 43.1% to 32.0%, the percentage of high school graduates increased from 32.7% to 37.2%, and the percentage of residents who pursued some level of education beyond high school increased from 24.2% to 30.8%.

The 2007 estimated percentage of residents with a Graduate or Professional Degree (8.4%) was very similar to that of the entire U.S. (8.9%), but the percentage of Franklinton residents with a Bachelor's Degree (7.8%) was significantly lower than the state as a whole (12.8%) or the national average of 15.7%.

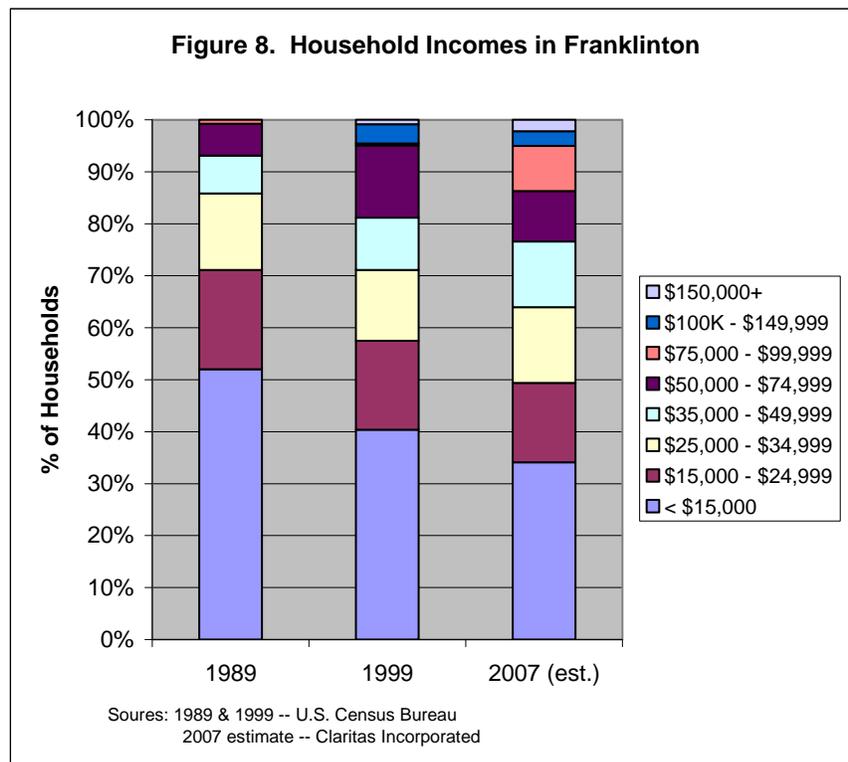


Family and Household Income

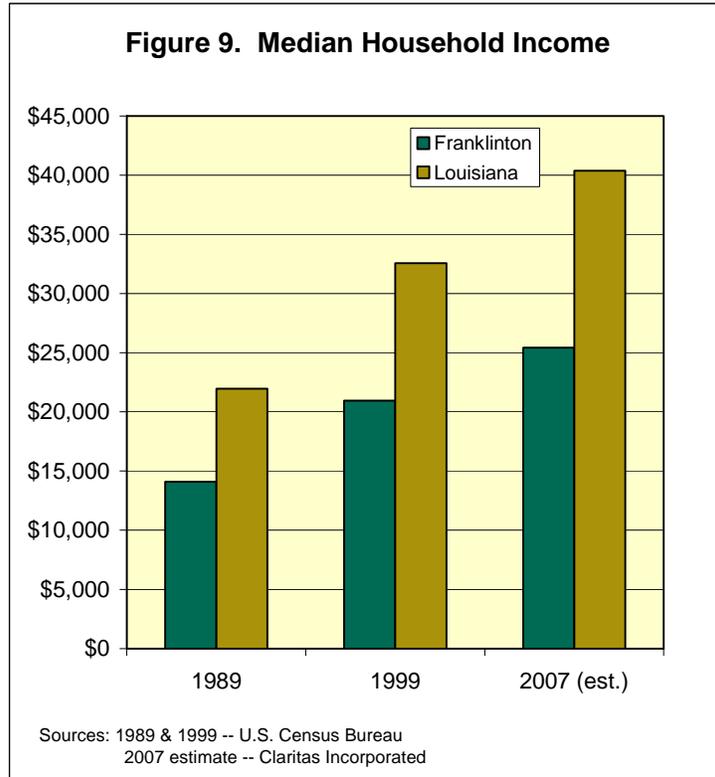
Based on U.S. Census data for the year 1999, 24% of families and 31% of individuals in Franklinton had incomes below the poverty level (see Table 1). This was a decline from 35% and 39%, respectively, for the year 1989. Claritas Incorporated estimates that approximately 21% of families in the 5-mile radius had incomes below the poverty level in 1999.

Table 1. Percentage of Families and Individuals with Incomes below the Federally-established Poverty Level		
Franklinton	1989	1999
Families with incomes < poverty level	35.3%	24.0%
Individuals with incomes < poverty level	39.4%	31.3%
5-mile Radius		
Families with incomes < poverty level	n/a	20.7%
Sources: Franklinton – U.S. Census Bureau 5-mile radius - Claritas		

Figure 8 illustrates the distribution of Franklinton households by income. Based on 2007 estimates, approximately 49% of Franklinton households have incomes less than \$25,000, and approximately 23% have incomes of more than \$50,000. The 2007 estimate shows particularly dramatic growth of the \$75,000 - \$99,999 bracket, from essentially none in 1999 to approximately 9% of all Franklinton households in 2007.



The median income among Franklinton households has grown at approximately the same rate as the median income of all Louisiana households since 1989 (Figure 9), increasing from \$14,100 to \$25,436 over the 19-year period. The median Franklinton household income has consistently been 63–64% of the statewide figure. The median household income in a 5-mile radius with Franklinton as the center is approximately 9% higher than in the town alone, \$27,813 versus \$25,436. The median income in the 5-mile radius is approximately 69% of the statewide median.



Traffic Counts

Appendix B contains a map illustrating 2007 average daily traffic counts at several locations in and around Franklinton. The location with the highest daily traffic count (15,703) and the greatest increase since 2004 (+31.1%) was Highway 10 just inside the western town limits. Other locations showing growth of 28-29% from 2004 to 2007 were on Highway 430 just north of Franklinton (5,811 cars, up from 4,511) and two locations on Highway 10 west of town (5,131 and 5,220, up from 3,994 and 4,079, respectively).

The location showing the greatest decline in traffic from 2004 to 2007 was Highway 16 just south of Franklinton, which dropped from 3,969 cars in 2004 to 2,767 in 2007.

Extenuating circumstances such as road construction or side road closures should be considered when analyzing traffic counts over time.

Employment, Occupations, and Earnings

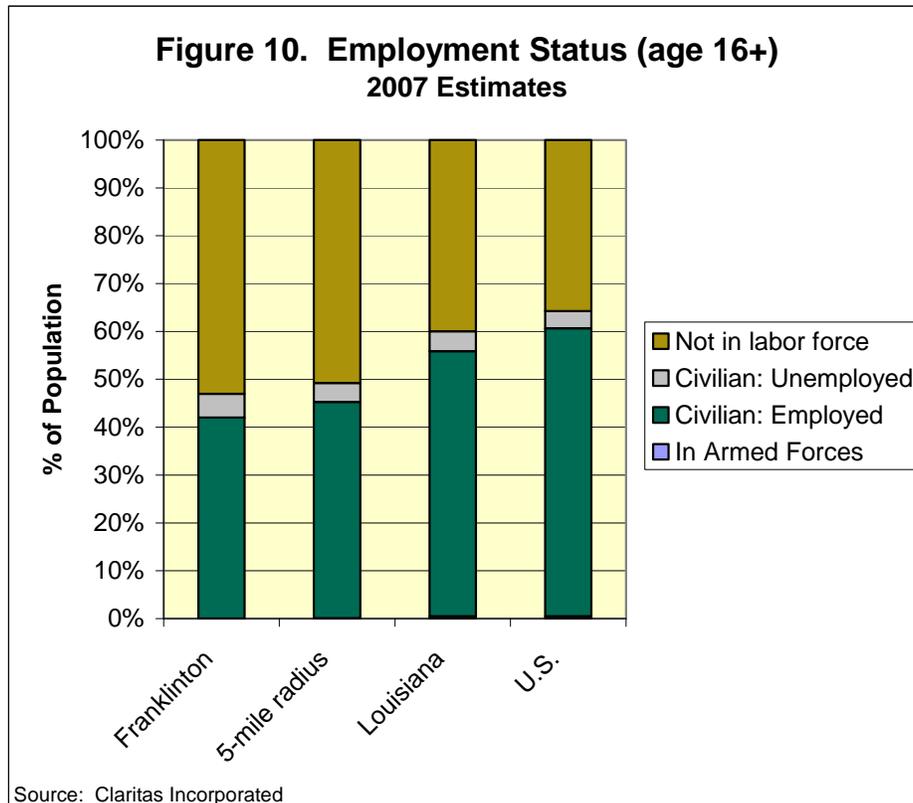
Employment

A much lower percentage of Franklinton residents (age 16+) are in the labor force than at the state and national levels (see Figure 10). Using 2007 estimates, 42% of Franklinton residents age 16+ were employed in civilian occupations, compared to 55% of Louisiana residents and 60% of U.S. residents. Approximately 4.9% of Franklinton residents were unemployed and 53.1% were not in the labor force. This percentage of people “not in the labor force” is much higher than the rates of 40.0% and 35.7% found in Louisiana and the U.S., respectively.

Employment percentages were slightly higher in the 5-mile radius including Franklinton, where 45.1% of residents were employed, 3.9% were unemployed, and 50.8% were not in the labor force.

Approximately 0.1% of Franklinton and 5-mile radius residents were in the armed forces, compared to 0.5% in Louisiana and the U.S. (Note: Although represented in Figure 10, these percentages of residents in the military are too small to be seen in the graph.)

The low employment percentages, which contribute to the below average household income levels in the area, may be related to the higher proportions of older females in the Franklinton population discussed previously.

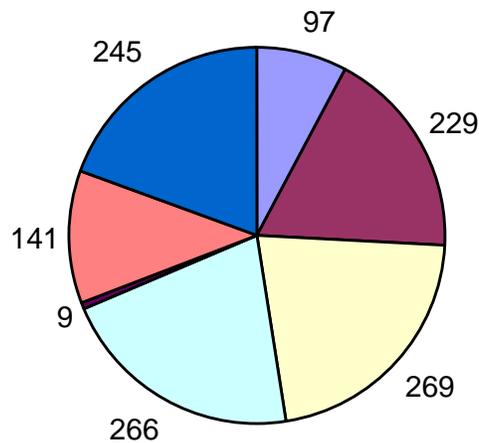


Occupation Types Held by Residents

The two largest types of occupations held by Franklinton residents were *Service* and *Sales and Office* positions, both of which included approximately 21% of employed residents age 16+ (see Figure 11). The next two largest occupations were *Production, Transportation, and Material Moving* (19.5%) and *Professional and Related Occupations* (18.2%). Approximately 11.2% and 7.7% of residents held *Construction, Extraction, and Maintenance* and *Management, Business, and Financial Operations* positions, respectively, and less than 1% of employed residents were employed in jobs described as *Farming, Fishing, and Forestry*.

Proportions of residents of the 5-mile radius employed in various occupations were very similar to those of Franklinton residents, and so are not detailed separately here.

Figure 11. Number of Franklinton Residents Holding Various Types of Occupations (2007 est.)

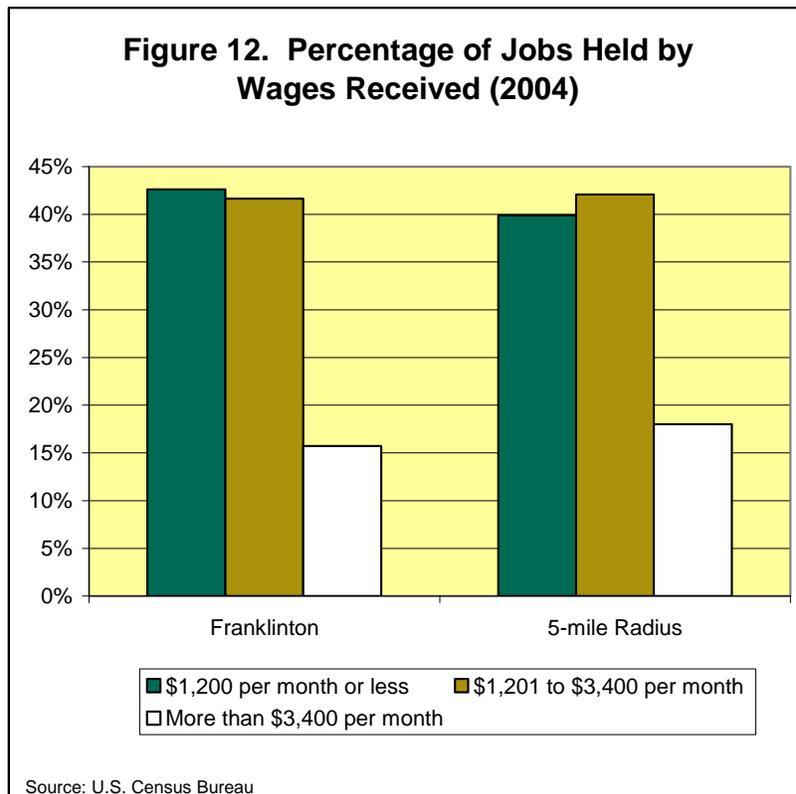


- Management, Business, and Financial Operations
- Professional and Related Occupations
- Service
- Sales and Office
- Farming, Fishing, and Forestry
- Construction, Extraction, and Maintenance
- Production, Transportation, and Material Moving

Source: Claritas Incorporated

Earnings per Job

Data on earnings per job in 2004 by the U.S. Census Bureau divides wages into 3 categories (see Figure 12). The percentages of employees in Franklinton and the 5-mile radius in the lower two categories – \$1,200 or less and \$1,201 to \$3,400 – are very similar, falling in the 40-43% range. Thus, approximately 80-85% of workers in the Franklinton area earn \$3,400 or less per month (\$40,800 or less per year). Earnings in the 5-mile radius are slightly higher than in Franklinton alone, with 3 percentage points fewer employees in the bottom wage bracket, and an equivalent margin more in the highest bracket. (Note: 2005 and 2006 data will be available in the summer of 2008.)



Employment of Residents by Industry Sector

Health services, educational services, and retail trade have been the top 3 industries by employment of Franklinton residents (see Table 2). Combined they accounted for 55% of jobs held by Franklinton residents aged 16 and over in 1990, 2000, and 2004. Manufacturing and construction employment numbers increased substantially in the 2000 Census compared to 1990, but declined sharply by 2004. Health services and educational services both showed strong growth between 2000 and 2004. (Note: 2005 and 2006 data will be available in the summer of 2008.)

Industry	1990	2000	2004
Health services	189	132	265
Educational services	155	150	213
Retail trade	221	178	206
Prof/Scientific/Technical Services	20	110	98
Accommodation and Food Services	71	53	84
Public administration	86	67	72
Manufacturing	96	131	49
Construction	49	102	48
Finance, Insurance, Real Estate, Rental & Leasing	81	31	40
Wholesale trade	30	23	38
Other services	48	89	35
Utilities	53	20	24
Arts/Entertainment/Recreation	5	6	17
Ag/Forestry/Fisheries	34	13	16
Transportation and Warehousing	38	51	15
Mining	28	36	14
Information	--	10	12
Total	1,204	1,202	1,246

Source: U.S. Census Bureau

Figure 13 compares the 2004 percentages of Franklinton and 5-mile radius residents employed by various industries. Somewhat higher percentages of Franklinton residents are employed in health services, retail trade, and accommodation and food service industries (among others), while industries employing higher percentages of 5-mile radius residents include transportation and warehousing, mining, finance and insurance, and manufacturing.

Compared to Louisiana as a whole, Franklinton has a greater proportion of residents employed in such industries as Retail Trade, Educational Services, Other Services, and Professional/ Scientific/Technical Services, among others (see Figure 14), and fewer residents employed in Finance, Insurance, and Real Estate (FIRE), Accommodation and Food Services, Arts/Entertainment/Recreation, and Wholesale Trade.

When compared to national percentages, Franklinton has more residents employed in Educational Services, Retail Trade, Mining, Other Services, and Construction, and lower percentages in FIRE, Manufacturing, Information, Wholesale Trade, and Accommodation and Food Services.

Commute Shed

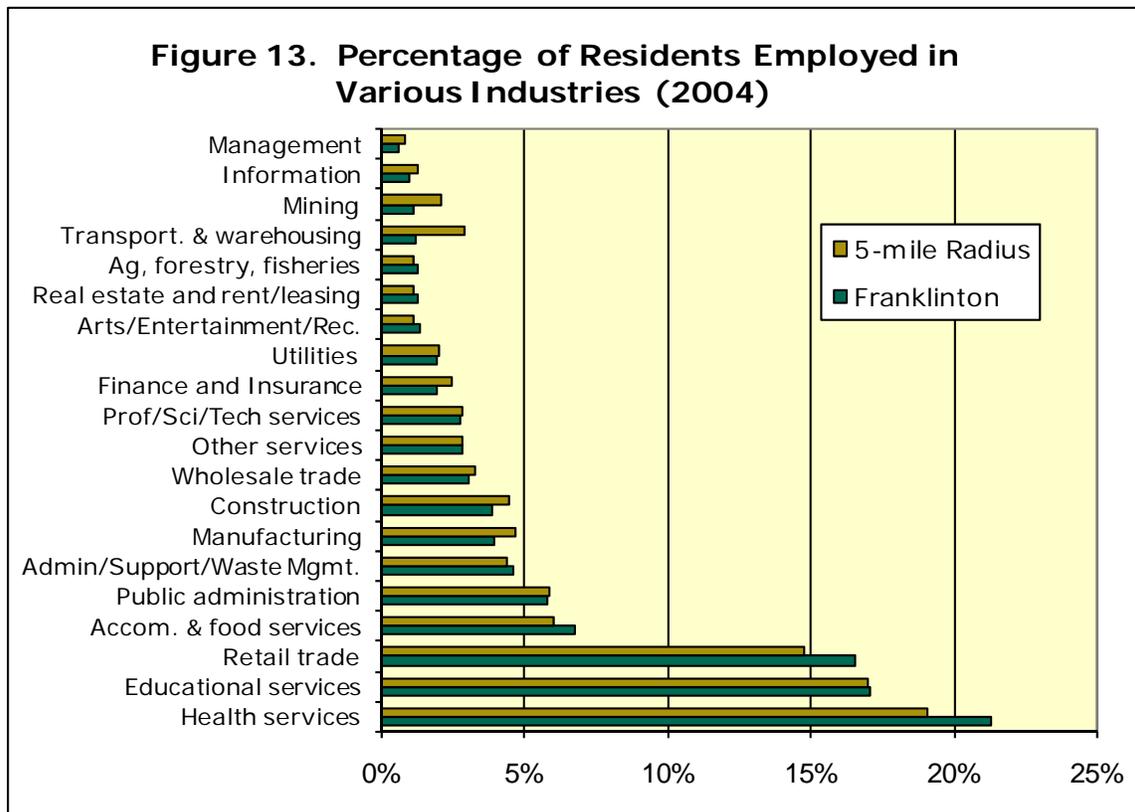
Based on responses to the 2000 Census, Claritas estimated that the average travel time to work for Franklinton residents and 5-mile radius residents was 26 minutes and 30 minutes, respectively.

The percentage of employed Franklinton residents who worked in Franklinton declined from 34.6% in 2002 to 31.3% in 2004 (see Figure 15). Other cities where the percentage of employed Franklinton residents dropped were Baton Rouge and

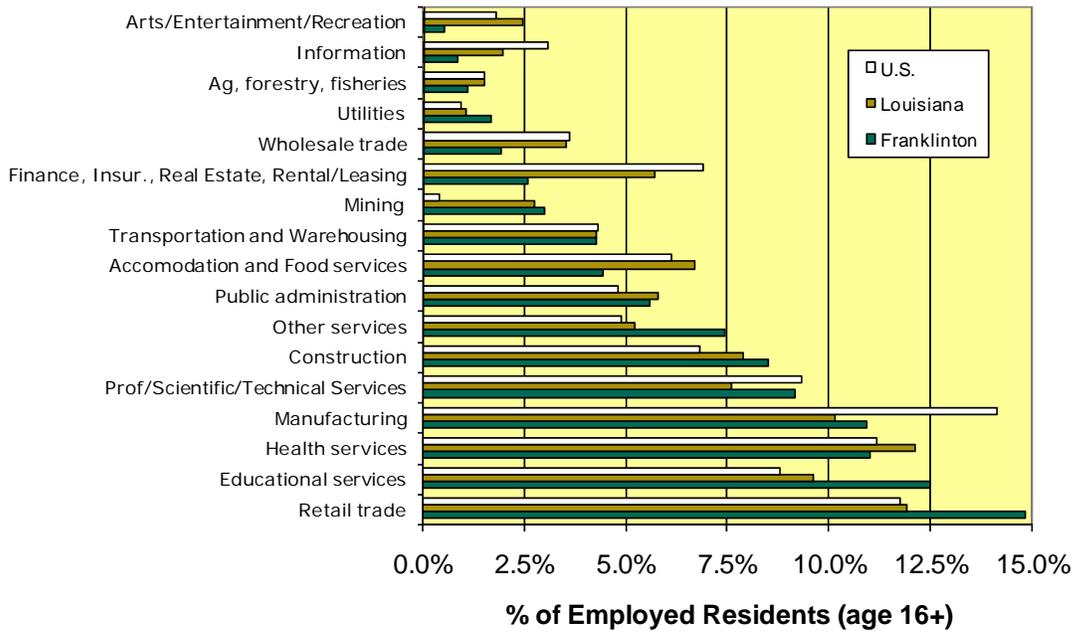
Bogalusa. The city of Covington showed the largest *gain*, with the percentage increasing from 3.5% in 2002 to 8.3% in 2004.

When analyzed by **parish** of employment (Figure 16), a similar pattern emerges. The percentage of employed Franklinton residents who worked in Washington Parish declined from approximately 54% in 2002 to 45% in 2004. The percentage working in East Baton Parish also declined, while the percentage who worked in St. Tammany Parish increased from 13.5% to almost 20% over the three-year period.

The percentage of employed residents of the 5-mile radius who worked in Washington Parish declined from approximately 52% to 47% from 2002-2004 (see Figure 17), and the percentage who worked in East Baton Rouge Parish dropped from 8.6% to 4.7%. The percentage who worked in St. Tammany Parish, and, to a lesser degree Tangipahoa and Jefferson Parishes, increased during the three-year period.

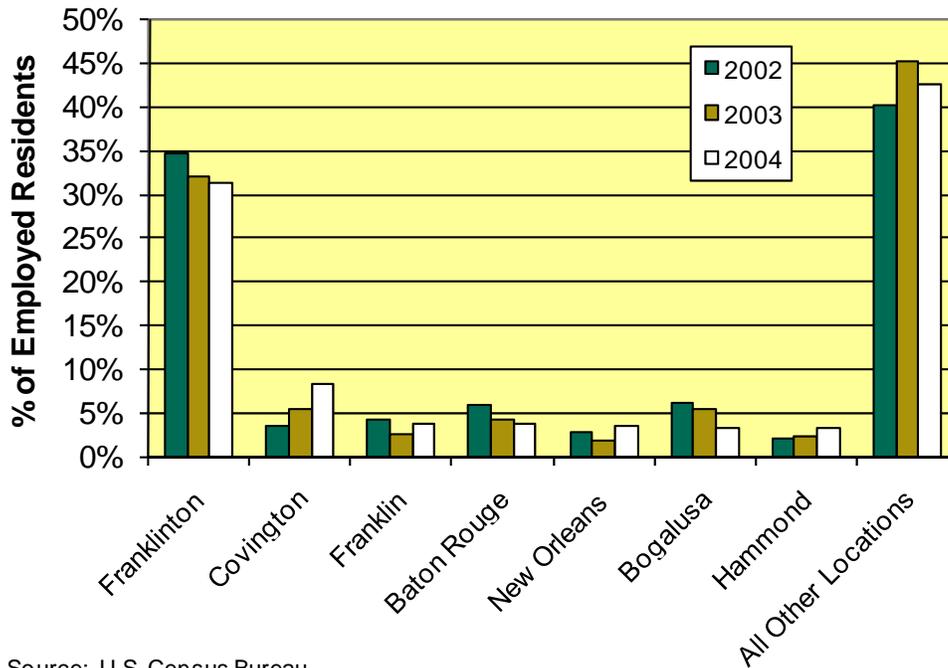


**Figure 14. Employment by Industry (2000)
Franklinton vs. Louisiana vs. U.S.**



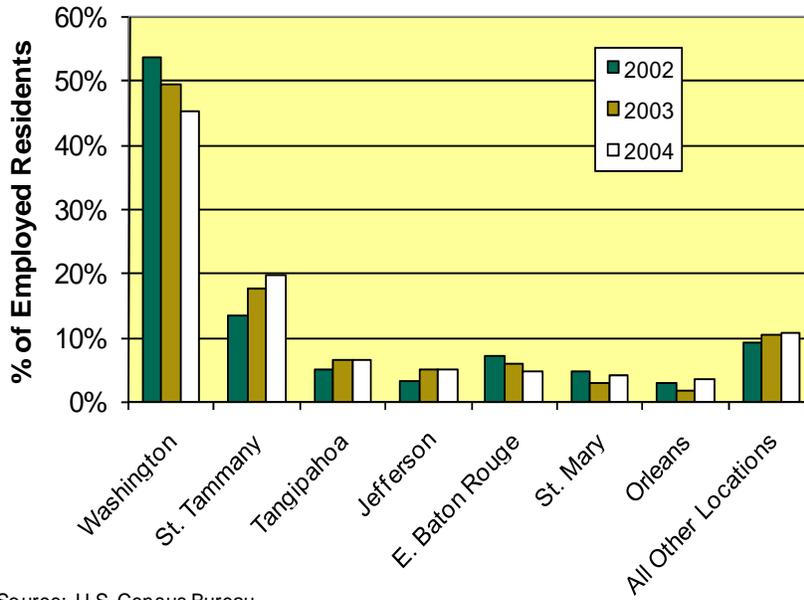
Source: U.S. Census Bureau

Figure 15. Towns/Cities where Franklinton Residents are Employed



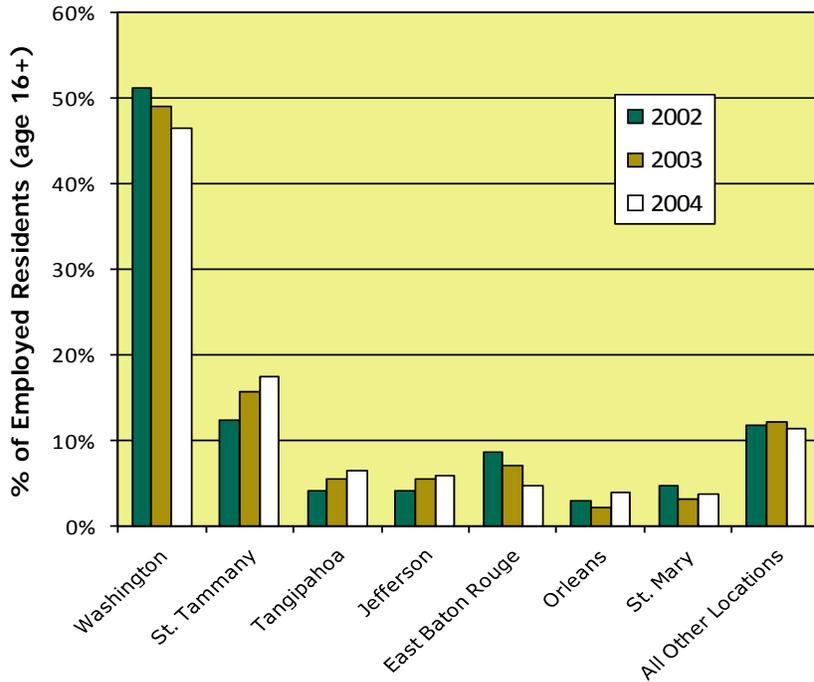
Source: U.S. Census Bureau

Figure 16. Parishes where Franklinton Residents are Employed



Source: U.S. Census Bureau

Figure 17. Parishes where 5-mile Radius Residents are Employed



Source: U.S. Census Bureau

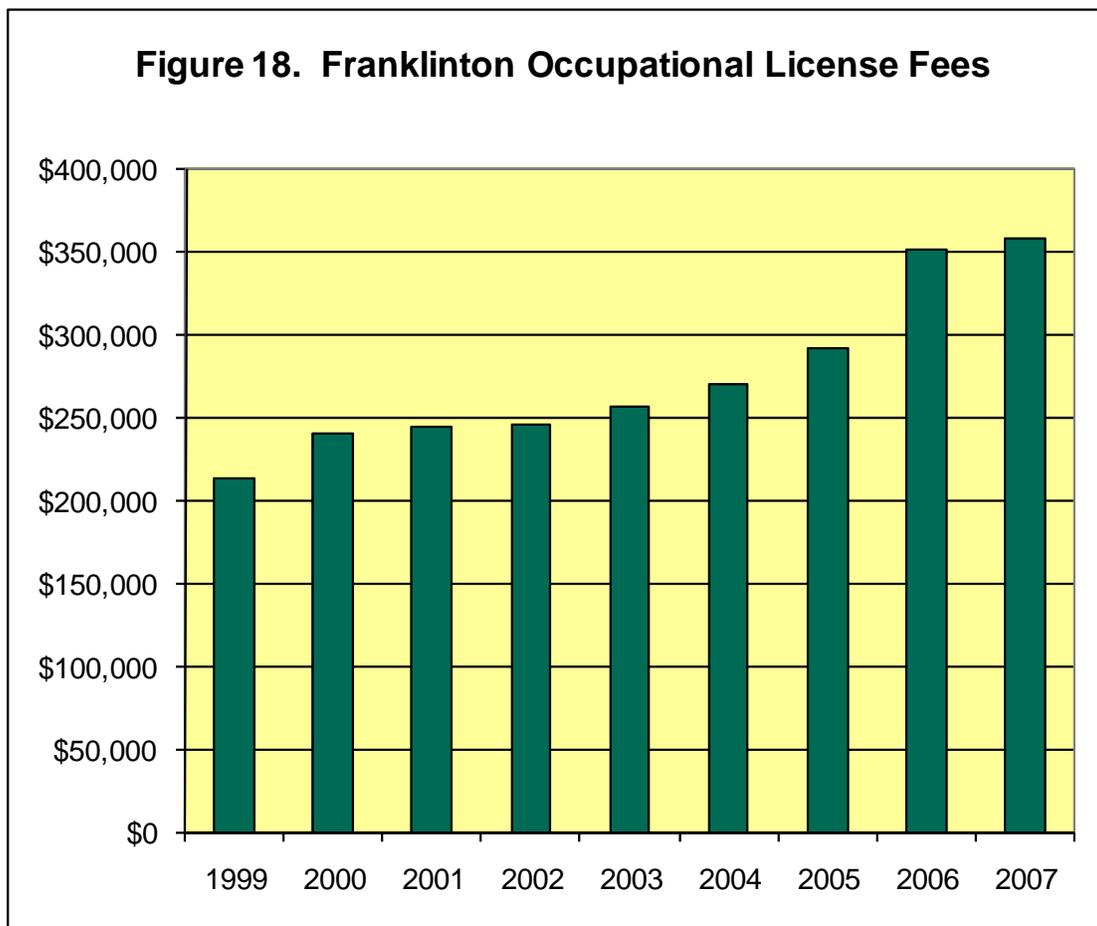
Business Activity

Occupational License Fees

Franklinton's occupational license fees are based on prior year receipts, and are, therefore, a useful gauge of business activity in the town. As shown in Figure 18, the total fees received have increased 68% over the last nine years, but in somewhat of a wave pattern.

Franklinton's occupational license fees jumped 13% from 1999 to 2000, then grew only 1.4% and 0.8% the next two years. Starting in 2003, the fees grew at an increasing rate, showing annual growth rates of 4.3%, 5.4%, and 7.9% in 2003, 2004, and 2005, respectively.

In 2006, illustrating the post-Katrina recovery impacts, occupational license fees shot up approximately 20%. License fees increased a modest 2.2% for 2007, possibly signaling the next flat spot in the growth wave.



Job Counts by Industry

Table 2 and Figure 13 reviewed the industries in which area residents were employed. Table 3 displays the total number of jobs by industry sector for establishments in Franklinton and the surrounding area, regardless of where the employees live.

By far the largest employment sector in the area is educational services, accounting for 39% of the jobs within a 5-mile radius of Franklinton (based on 2004 data). The next four largest sectors, in the range of 200-500 jobs each, are retail trade, health care and social assistance, public administration, and accommodation and food services. These top five sectors provide approximately 79% of the jobs in the area.

More recent data (2005 and 2006) will be available in the summer of 2008, and this analysis may need to be revisited at that time.

Table 3. Jobs by Industry (2004)			
	Franklinton	5-mile radius	In 5-mile radius, outside Franklinton
Number of Employers	133	172	39
<u>Number of jobs by industry</u>			
Educational services	1,308	1,308	0
Retail trade	406	440	34
Health care and social assistance	424	438	14
Public administration	92	285	193
Accommodation & food services	197	206	9
Utilities	110	110	0
Construction	53	108	55
Finance and Insurance	94	102	8
Manufacturing	76	76	0
Other services	42	63	21
Transportation & warehousing	8	47	39
Professional, scientific, and technical services	42	45	3
Information	31	40	9
Admin. & support, Waste mgmt. & remediation	36	36	0
Wholesale trade	35	35	0
Arts, Entertainment, and Recreation	1	28	27
Real estate and rental/leasing	6	6	0
Agriculture, forestry, and fishing	0	0	0
Management of companies and enterprises	0	0	0
Mining	0	0	0
Total number of jobs	2,961	3,373	412
Source: U.S. Census Bureau			

Largest Employers

According to data from ReferenceUSAGov, the 10 largest current employers in Franklinton are:

<u>Employer</u>	<u># of Employees</u>
Riverside Medical Center	250
Washington Parish Sheriff's Dept.	136
Heritage Manor Health	112
Washington-St. Tammany Electric	106
Franklinton Primary School	87
Supported Independent Living	87
Winn-Dixie	85
Good Samaritan Nursing Home	73
Franklinton High School	72
Franklinton Head Start	62

These 10 employers account for 1,070 jobs, or approximately 36% of all of the jobs in Franklinton (using the total job count from 2004).

Labor Shed

Based on 2004 U.S. Census Bureau data, approximately 14% of Franklinton and 5-mile radius employees live in Franklinton, and approximately 5% reside in Bogalusa. The remaining 81% of employees live in other communities or unincorporated areas of Louisiana (78%) or Mississippi (3%). The percentage of employees from Mississippi declined from 5% in 2002.

When analyzed by parish/county of residence, 85% of area employees live in Washington Parish (see Table 4), an increase of 4–5% from 2002. The percentage of employees from St. Tammany Parish and Walthall County, Mississippi declined from 2002 to 2004.

Parish/County	Franklinton			5-mile Radius		
	2004	2003	2002	2004	2003	2002
Washington Parish	84.8%	85.1%	81.2%	84.8%	83.8%	80.0%
Tangipahoa Parish	2.3%	3.5%	2.5%	2.2%	3.1%	2.4%
St. Tammany Parish	2.0%	2.0%	4.0%	1.9%	1.8%	3.8%
Walthall County, MS	1.9%	1.5%	2.7%	1.9%	1.8%	2.7%
Jefferson Parish	0.8%	0.8%	1.0%	0.9%	0.7%	1.0%
E. Baton Rouge Parish	0.7%	0.5%	0.9%	0.9%	0.5%	0.9%
Pike County, MS	0.9%	0.5%	0.6%	0.8%	0.5%	0.6%
Caddo Parish	0.5%	0.2%	0.0%	0.5%	0.6%	0.1%
Bossier Parish	0.5%	--	--	0.5%	0.3%	0.4%
Livingston Parish	0.4%	0.3%	0.2%	0.4%	0.3%	0.2%
All Other Locations	5.1%	5.6%	6.8%	5.2%	6.6%	7.9%

Consumer Spending Patterns

Various regions and cultures have socioeconomic variables, cultural values and mores, and other factors that influence their spending on various categories of consumer goods.

ESRI (Environmental Systems Research Institute) has developed the *Community Tapestry* system that analyzes demographic and consumer spending data to classify neighborhoods into 65 distinct market segments.

According to ESRI, the three most common *Tapestry* segments in zip code 70438 (which includes Franklinton) are:

Segment 46 - Rooted Rural



Rooted Rural neighborhoods are located in rural areas throughout the country; however, more than three-fifths of the households are located in the South. Households are dominated by married-couple families. One-third of the households receive Social Security benefits. The median age is 42.2 years. Housing is predominantly single-family dwellings, with a strong presence of mobile homes and some seasonal housing. The median home value is \$101,198. Stable and settled, residents tend to move infrequently. They are do-it-yourselfers, constantly working on their homes, gardens, and vehicles. Many families have pets. Residents enjoy hunting, fishing, target shooting, boating, attending country music concerts, and listening to country music on the radio. Many households have a satellite dish; favorite stations include Outdoor Life Network and CMT.

Segment 56 - Rural Bypasses



Open space, undeveloped land, and farmland are found in Rural Bypasses neighborhoods located almost entirely in the South. This market is home to families who live in small towns along country back roads. The median age is 38.0 years. Higher-than-average proportions of employed residents work in the agricultural, mining, manufacturing, and construction industries. Labor force participation is low, and unemployment is high. Although most households are single-family dwellings, 32 percent are mobile homes. Homeownership is at 77 percent, and the median home value is \$66,625. Residents save money by maintaining their homes, gardens, and vehicles themselves. They enjoy hunting, reading fishing and hunting magazines, and

listening to gospel radio. They prefer to watch courtroom TV and talk shows as well as cartoons. Recent purchases include baby products, clothes, and toys.

Segment 62 - Modest Income Homes



Modest Income Homes neighborhoods are found primarily in the older suburbs of metropolitan areas. Single-family dwellings represent more than two-thirds of the housing; 15 percent are duplexes. The median home value is \$57,381. Household types are mainly single person and single parent. However, 64 percent of households are family types. The median age is 35.7 years. Slightly more employed residents work part time than full time, mainly in service and blue collar occupations. At 20 percent, unemployment is high. These frugal residents shop at discount stores, do not pay for Internet access, and rarely eat out. They are content to wait for movies to be shown on TV instead of going to the theater. They watch daytime and primetime TV, especially courtroom TV shows and sitcoms, and listen to urban and gospel radio. A favorite cable channel is BET.

Source: ESRI

Claritas Incorporated develops Consumer Spending Patterns Reports which are derived from the Consumer Buying Power database using information from the U.S. Bureau of Labor Statistics Consumer Expenditure Survey. This data can be compared to national averages using a Market Index to illustrate how local spending patterns differ from the U.S.

Table 5 illustrates the estimated annual spending per household in Franklinton and the 5-mile radius, and shows the Market Index for each category for the two local areas compared to the U.S.

If Franklinton and area residents spent their money in the same proportions among the various categories as the national average, their index for each category would be the same as their overall spending index – 71 for Franklinton residents and 76 for 5-mile radius residents. Obviously they don't, so categories with an index less than the overall index are those where residents spend proportionately less than the national average, and those categories where local residents spend proportionately more have indexes higher than their overall index.

Table 6 lists the 10 categories or sub-categories where residents spend the least relative to national averages, and Table 7 shows the 10 categories or sub-categories where they spend the most compared to national averages. The category where Franklinton area residents spend the least compared to national norms is *Rented Vehicles* (Table 6). Conversely, area residents spend substantially more on *Prescription Drugs* than would be expected given their total level of expenditures (Table 7).

Table 5. Estimated Annual Expenditures (2007) in Franklinton and the 5-mile Radius				
Category	Average Franklinton Household	Market Index to U.S.	Avg. 5-mile Radius Household	Market Index to U.S.
APPAREL				
Total Apparel	\$2,835	62	\$3,051	66
Women's Apparel	\$715	55	\$813	63
Men's Apparel	\$592	64	\$645	70
Girl's Apparel	\$248	84	\$253	86
Boy's Apparel	\$200	82	\$211	87
Infant's Apparel	\$93	83	\$94	84
Footwear (excl. Infants)	\$345	69	\$376	75
Other Apparel Prods/Services	\$642	53	\$659	54
ENTERTAINMENT				
Sports and Recreation	\$986	66	\$1,059	71
TV, Radio and Sound Equipment	\$1,374	69	\$1,440	72
Reading Materials	\$288	54	\$298	56
Travel	\$803	51	\$846	54
Photographic Equipment	\$61	52	\$69	59
FOOD AT HOME				
Total Food at Home	\$4,900	81	\$5,173	86
Cereal Products	\$242	83	\$249	85
Bakery Products	\$461	77	\$494	82
Fish and Seafood	\$105	75	\$109	78
Meats (All)	\$1,129	94	\$1,155	96
Dairy Products	\$486	77	\$522	83
Fresh Milk and Cream	\$122	78	\$132	84
Eggs	\$72	92	\$73	92
Other Dairy Products	\$291	74	\$318	81
Fruits and Vegetables	\$584	79	\$613	82
Juices	\$141	77	\$143	79
Sugar and Other Sweets	\$281	72	\$304	78
Fats and Oils	\$47	84	\$49	88
Nonalcoholic Beverages	\$494	79	\$529	85
Prepared Foods	\$932	81	\$1,004	87
HEALTH CARE				
Total Health Care	\$4,030	98	\$4,047	98
Medical Services	\$1,453	81	\$1,496	83
Prescription Drugs	\$2,473	113	\$2,444	112
Medical Supplies	\$104	69	\$107	71
HOUSEHOLD EQUIPMENT				
Total Household Textiles	\$385	64	\$416	69
Domestic Textiles	\$175	64	\$188	69
Window and Furniture Covers	\$210	63	\$228	69
Total Furniture	\$567	69	\$613	75
Bedroom Furniture	\$163	72	\$174	76
Living/Dining Room Furniture	\$245	68	\$267	74
Other Furniture	\$158	69	\$172	75
Major Appliances	\$264	77	\$285	84
Small Appliances/Housewares	\$341	50	\$392	57
Misc. Household Equipment	\$372	71	\$407	77

MISC PERSONAL ITEMS				
Personal Care Products and Services	\$828	79	\$846	81
Personal Expenses and Services	\$1,044	64	\$1,108	68
Smoking Prods/Supplies	\$699	86	\$812	100
MISCELLANEOUS ITEMS				
Total Education	\$739	48	\$814	53
Room and Board	\$57	53	\$66	62
Tuition/School Supplies	\$681	47	\$748	52
Pet Expenses	\$396	79	\$463	92
Day Care	\$193	63	\$205	67
Contributions (All)	\$1,121	61	\$1,106	61
OTHER MISC EXPENSES				
Housekeeping Supplies	\$266	73	\$289	80
Total Food away from Home	\$3,247	64	\$3,564	70
Breakfast and Brunch	\$295	70	\$318	75
Dinner	\$851	58	\$950	65
Lunch	\$948	65	\$1,033	71
Snacks and Non Alcoholic Beverages	\$431	67	\$478	74
Catered Affairs	\$43	61	\$47	68
Food and Non-alcoholic Bevgs on Trips	\$678	64	\$738	70
Total Alcoholic Beverages	\$952	71	\$1,013	76
Alcoholic Beverages at Home	\$696	76	\$735	80
Alcoholic Beverages away from Home	\$256	60	\$278	65
SHELTER AND RELATED EXPENSES				
Household Services	\$411	74	\$392	70
Household Repairs	\$823	70	\$925	79
Total Housing Expenses	\$1,054	85	\$1,064	86
Fuels and Utilities	\$112	66	\$122	72
Telephone Service	\$942	88	\$942	88
TRANSPORTATION EXPENSES				
Total Transportation Expenses	\$5,417	71	\$6,100	80
New Autos/Trucks/Vans	\$2,040	66	\$2,214	72
Used Vehicles	\$1,633	78	\$1,895	91
Boats and Outboard Motor, Etc	\$200	66	\$242	80
Towing Charges	\$6	92	\$6	91
Gasoline	\$1,460	77	\$1,675	88
Diesel Fuel	\$8	59	\$10	69
Rented Vehicles	\$70	34	\$58	28
Automotive Maintenance/Repair/Other	\$1,256	74	\$1,392	82
TOTAL SPECIFIED CONSUMER EXPENDITURES	\$35,650	71	\$38,189	76
Source: Claritas Incorporated				

Table 6. Categories where local residents spend disproportionately LESS than the national average (MI = Market Index)			
Franklinton		5-mile Radius	
Category/Sub-category	Category MI minus Overall MI	Category/Sub-category	Category MI minus Overall MI
Rented Vehicles	(38)	Rented Vehicles	(48)
Tuition/School Supplies	(24)	Tuition/School Supplies	(24)
<i>Total Education</i>	(23)	<i>Total Education</i>	(23)
Small Appliances/Housewares	(21)	Travel	(22)
Travel	(20)	Other Apparel Prods/Services	(22)
Photographic Equipment	(19)	Reading Materials	(20)
Other Apparel Prods/Services	(18)	Small Appliances/Housewares	(19)
Room and Board	(18)	Photographic Equipment	(18)
Reading Materials	(17)	Contributions (All)	(16)
Women's Apparel	(16)	Room and Board	(14)

Source: Claritas Incorporated

Table 7. Categories where local residents spend disproportionately MORE than the national average (MI = Market Index)			
Franklinton		5-mile Radius	
Category/Sub-category	Category MI minus Overall MI	Category/Sub-category	Category MI minus Overall MI
Prescription Drugs	42	Prescription Drugs	36
<i>Total Health Care</i>	26	Smoking Prods/Supplies	24
Meats (All)	23	<i>Total Health Care</i>	22
Towing Charges	21	Meats (All)	20
Eggs	21	Pet Expenses	16
Telephone Service	17	Eggs	16
Smoking Prods/Supplies	15	Towing Charges	15
<i>Total Housing Expenses</i>	14	Used Vehicles	15
Girl's Apparel	13	Gasoline	12
Fats and Oils	13	Fats and Oils	12

Source: Claritas Incorporated

Retail Trade Analysis

Using the known population (or number of households) of an area and the per capita (per household) expenditures (as detailed in Table 5), it is possible to estimate the cumulative **demand** for various products and services by residents of the area based on their spending patterns.

These demand estimates can then be compared to sales data for businesses in the area derived from the Census of Retail Trade reported by the U.S. Census Bureau, which represent the **supply** of goods and services in that area.

If the demand (consumer expenditures) for goods and services exceeds the supply (sales totals) in the area under study, the difference represents how much the residents of the area are spending *outside* the area for goods and services. These

dollars, known as *retail leakages*, represent the loss of potential economic activity, jobs, and sales tax revenue for the community.

On the other hand, if total sales (supply) by business establishments in the area exceed consumer expenditures (demand) by residents, this indicates that the businesses are drawing customers (and their spending) from outside the area, creating a *retail sales surplus*.

It should be noted that any retail trade analysis is based on estimates and averages. Many times there may be mitigating factors that can cause a market's retail activity and potential to deviate substantially from what would be expected or predicted. Proximity to large regional shopping areas, geographic features, road networks, and traffic and commuting patterns are among the factors that could affect an area's actual retail potential.

Therefore, a retail trade analysis should not be thought of as a detailed schematic or plan of action, but rather as one piece of information that can contribute to a retail development and growth strategy by highlighting retail sectors that are not fully meeting the needs of the community.

In analyzing the retail trade of Franklinton, the decision was made to base it on all of the consumers and retailers within a 5-mile radius. Franklinton businesses certainly draw customers from further than 5 miles out, so this analysis is probably somewhat conservative on the demand side.

Franklinton's retail trade was analyzed using Claritas Incorporated's RMP (Retail Market Power) Opportunity Gap report for a 5-mile radius centered approximately at the intersection of Washington Street and 15th Avenue.

The RMP report analyzes retail supply and demand at multiple levels based on 3-digit to 6-digit NAICS (North American Industry Classification System) codes. The 3-digit codes are the broadest categories – Food and Beverage Stores (Code 445), Motor Vehicle and Parts Dealers (Code 441), etc. As more digits are added to the code the scope of that classification becomes more and more narrow. For example, one 4-digit code under Food and Beverage Stores (Code 445) is Grocery Stores (Code 4451), which is further sub-divided into two 5-digit codes – Supermarkets & Grocery (exc. Convenience) Stores (Code 44511) and Convenience Stores (Code 44512).

The RMP Opportunity Gap report includes 13 primary 3-digit sectors. Franklinton's retail supply and demand in these 13 major categories is illustrated in Figure 19.

The Greater Franklinton area (5-mile radius) has a retail surplus in four sectors:

<u>Sector</u>	<u>Demand - Supply</u>
Gasoline Stations	(\$20,312,244)
Food and Beverage Stores	(\$13,629,813)
Health and Personal Care Stores	(\$11,984,910)
Motor Vehicle and Parts Dealers	(\$1,379,882)

These are the sectors where Franklinton businesses are "pulling" in customers from the surrounding area, i.e. they are selling more than would be demanded by residents of the 5-mile radius alone.

The analysis shows 5 sectors with a retail leakage of less than \$1,000,000:

<u>Sector</u>	<u>Demand – Supply</u>
Furniture and Home Furnishings	\$161,910
Miscellaneous Store Retailers	\$255,351
Clothing and Clothing Accessories Stores	\$543,588
Sporting Goods, Hobby, Book, Music Stores	\$683,970
General Merchandise Stores	\$983,077

These sectors represent categories where Franklinton is losing some retail trade to other communities, but there may not be enough potential sales to support substantial expansion.

Of most interest regarding possible retail growth and expansion, the Franklinton area has 4 sectors with larger leakages of from \$1.4 million to \$8.2 million:

<u>Sector</u>	<u>Demand – Supply</u>
Electronics and Appliance Stores	\$1,378,572
Foodservice and Drinking Places	\$2,189,175
Non-Store Retailers	\$3,961,439
Building Material, Garden Equipment Stores	\$8,154,562

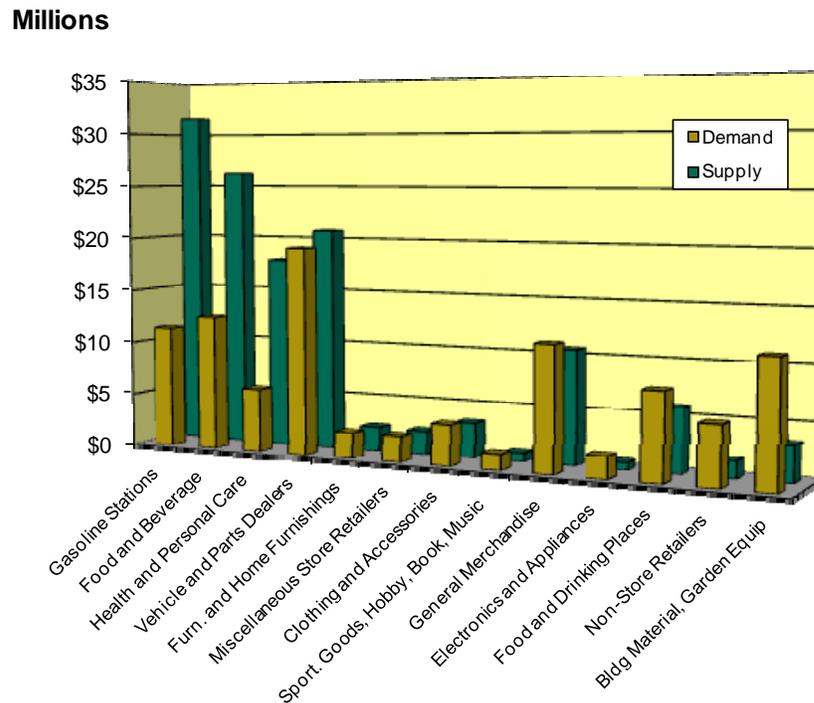
While the Non-Store Retailing Sector may not be a feasible sector for potential growth in Franklinton, the other sectors may signal possible opportunity areas for Franklinton businesses.

However, the analysis must go deeper than the 3-digit level, because hidden in the 3-digit summations are vastly disparate retail trade balances for more specific sub-sectors within the same sector. As shown in the complete Opportunity Gap report (Table 8), within the “Building Material, Garden Equipment Stores” sector, which has the most leakage and therefore the most “opportunity” for expansion, the sub-sectors of “Hardware Stores” and “Nursery and Garden Centers” each have surpluses approaching \$1 million.

Conversely, within the “Motor Vehicles and Parts Dealers” sector, which has a surplus of over \$1 million in sum, are the sub-sectors of “Automotive Dealers” and “Other Motor Vehicle Dealers”, which *each* have leakages of over \$1 million. When summed into the sector total, their leakages are more than offset by the \$3.8 million surplus of the “Automotive Parts/Accessories, Tire Dealers” sub-sector.

Therefore, Table 8 should be analyzed carefully for insight into the particular types of businesses that could be targeted for growth or expansion.

Figure 19. Franklinton 5-mile Radius Retail Trade Analysis (3-digit NAICS sectors)



Conclusions

Franklinton and the surrounding area have stable populations and local businesses have shown significant growth in receipts over the last 10 years.

The Franklinton population is somewhat skewed toward greater proportions of older females. Low labor force participation rates and relatively low education levels depress household incomes, reducing the consumer spending of Franklinton residents to only 71% of the national average. Education levels have shown improvement since 1990.

Commuting patterns indicate that the percentage of Franklinton residents who commute to St. Tammany Parish has increased, at least in the period from 2002-2004. Commuters tend to make some of their purchases in the area where they work, so that is a problematic trend for Franklinton businesses. However, preliminary estimates indicate that Washington Parish may be starting a period of population growth as the housing market in St. Tammany Parish continues to tighten, and that could help offset the increasing number of commuters.

Table 8. RMP Opportunity Gap – Retail Stores 2007
5-mile Radius surrounding Franklinton, Louisiana

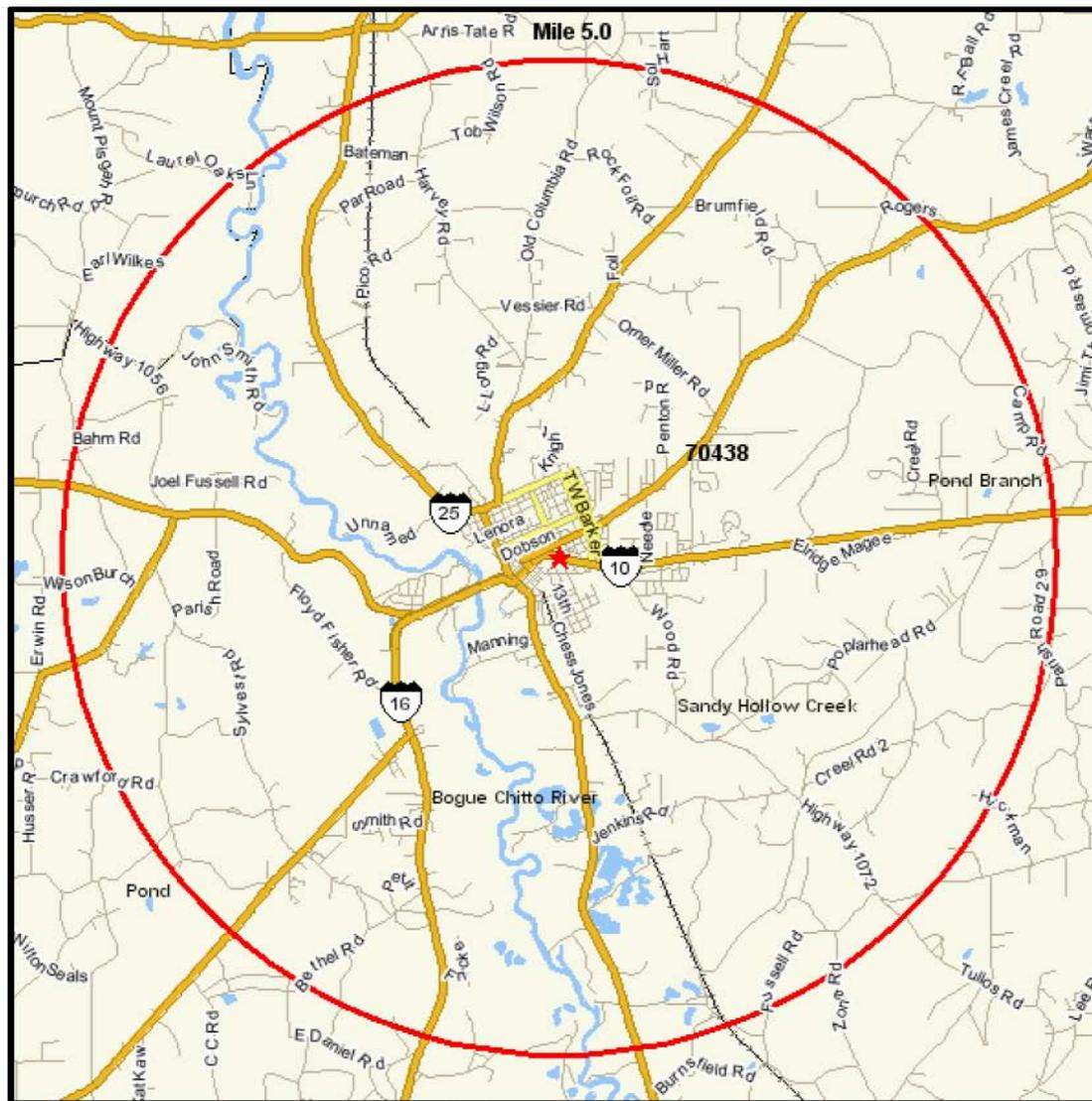
	Demand (Consumer Expend.)	Supply (Retail Sales)	Opportunity Gap/Surplus
Total Retail Sales Incl Eating and Drinking Places	\$98,358,438	\$127,353,642	(\$28,995,204)
Motor Vehicle and Parts Dealers-441	\$19,377,766	\$20,757,648	(\$1,379,882)
Automotive Dealers-4411	\$16,850,357	\$15,432,977	\$1,417,380
Other Motor Vehicle Dealers-4412	\$1,060,189	\$36,874	\$1,023,315
Automotive Parts/Accsrs, Tire Stores-4413	\$1,467,219	\$5,287,797	(\$3,820,578)
Furniture and Home Furnishings Stores-442	\$2,432,418	\$2,270,508	\$161,910
Furniture Stores-4421	\$1,324,701	\$1,802,870	(\$478,169)
Home Furnishing Stores-4422	\$1,107,718	\$467,638	\$640,080
Electronics and Appliance Stores-443	\$2,068,960	\$690,388	\$1,378,572
Appliances, TVs, Electronics Stores-44311	\$1,618,786	\$617,349	\$1,001,437
Household Appliances Stores-443111	\$395,349	\$440,890	(\$45,541)
Radio, Television, Electronics Stores-443112	\$1,223,437	\$176,459	\$1,046,978
Computer and Software Stores-44312	\$375,352	\$73,039	\$302,313
Camera and Photographic Equip. Stores-44313	\$74,823	\$0	\$74,823
Building Material, Garden Equip Stores -444	\$11,535,455	\$3,380,893	\$8,154,562
Building Material and Supply Dealers-4441	\$10,586,855	\$1,628,724	\$8,958,131
Home Centers-44411	\$3,895,400	\$0	\$3,895,400
Paint and Wallpaper Stores-44412	\$257,130	\$0	\$257,130
Hardware Stores-44413	\$783,748	\$1,580,558	(\$796,810)
Other Building Materials Dealers-44419	\$5,650,576	\$48,166	\$5,602,410
Building Materials, Lumberyards-444191	\$1,809,459	\$16,425	\$1,793,034
Lawn, Garden Equipment, Supplies Stores-4442	\$948,600	\$1,752,169	(\$803,569)
Outdoor Power Equipment Stores-44421	\$158,850	\$0	\$158,850
Nursery and Garden Centers-44422	\$789,750	\$1,752,169	(\$962,419)
Food and Beverage Stores-445	\$12,512,867	\$26,142,680	(\$13,629,813)
Grocery Stores-4451	\$11,377,015	\$25,379,013	(\$14,001,998)
Supermarkets, Grocery (Ex Conv) Stores-44511	\$10,819,682	\$24,862,302	(\$14,042,620)
Convenience Stores-44512	\$557,333	\$516,711	\$40,622
Specialty Food Stores-4452	\$381,823	\$396,002	(\$14,179)
Beer, Wine and Liquor Stores-4453	\$754,029	\$367,665	\$386,364
Health and Personal Care Stores-446	\$5,986,747	\$17,971,657	(\$11,984,910)
Pharmacies and Drug Stores-44611	\$5,215,340	\$17,810,002	(\$12,594,662)
Cosmetics, Beauty Supplies, Perfume Stores-44612	\$223,373	\$99,667	\$123,706
Optical Goods Stores-44613	\$149,334	\$0	\$149,334
Other Health and Personal Care Stores-44619	\$398,700	\$61,988	\$336,712
Gasoline Stations-447	\$11,310,240	\$31,622,484	(\$20,312,244)
Gasoline Stations With Conv Stores-44711	\$8,514,206	\$19,364,993	(\$10,850,787)
Other Gasoline Stations-44719	\$2,796,034	\$12,257,490	(\$9,461,456)
Clothing and Clothing Accessories Stores-448	\$3,854,150	\$3,310,562	\$543,588
Clothing Stores-4481	\$2,806,977	\$1,004,637	\$1,802,340
Men's Clothing Stores-44811	\$182,704	\$99,301	\$83,403
Women's Clothing Stores-44812	\$664,843	\$865,998	(\$201,155)
Children's, Infant's Clothing Stores-44813	\$205,316	\$0	\$205,316
Family Clothing Stores-44814	\$1,515,449	\$0	\$1,515,449
Clothing Accessories Stores-44815	\$57,136	\$0	\$57,136
Other Clothing Stores-44819	\$181,529	\$39,338	\$142,191
Shoe Stores-4482	\$605,943	\$563,001	\$42,942
Jewelry, Luggage, Leather Goods Stores-4483	\$441,231	\$1,742,924	(\$1,301,693)
Jewelry Stores-44831	\$403,682	\$1,742,924	(\$1,339,242)
Luggage and Leather Goods Stores-44832	\$37,549	\$0	\$37,549

Table 8. RMP Opportunity Gap – Retail Stores 2007 (continued)
5-mile Radius surrounding Franklinton, Louisiana

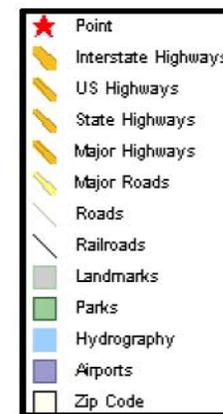
	Demand (Consumer Expend.)	Supply (Retail Sales)	Opportunity Gap/ Surplus
Sporting Goods, Hobby, Book, Music Stores-451	\$1,538,251	\$854,281	\$683,970
Sporting Goods, Hobby, Musical Inst Stores-4511	\$1,158,138	\$620,677	\$537,461
Sporting Goods Stores-45111	\$603,585	\$442,012	\$161,573
Hobby, Toys and Games Stores-45112	\$371,855	\$0	\$371,855
Sew/Needlework/Piece Goods Stores-45113	\$86,257	\$178,665	(\$92,408)
Musical Instrument and Supplies Stores-45114	\$96,441	\$0	\$96,441
Book, Periodical and Music Stores-4512	\$380,113	\$233,604	\$146,509
Book Stores and News Dealers-45121	\$251,226	\$125,290	\$125,936
Book Stores-451211	\$232,912	\$125,290	\$107,622
News Dealers and Newsstands-451212	\$18,314	\$0	\$18,314
Prerecorded Tapes, CDs, Record Stores-45122	\$128,887	\$108,314	\$20,573
General Merchandise Stores-452	\$11,609,171	\$10,626,094	\$983,077
Department Stores Excl Leased Depts-4521	\$5,232,003	\$5,101,236	\$130,767
Other General Merchandise Stores-4529	\$6,377,168	\$5,524,858	\$852,310
Warehouse Clubs and Super Stores-45291	\$5,533,250	\$4,476,237	\$1,057,013
All Other General Merchandise Stores-45299	\$843,918	\$1,048,621	(\$204,703)
Miscellaneous Store Retailers-453	\$2,459,423	\$2,204,072	\$255,351
Florists-4531	\$181,692	\$383,314	(\$201,622)
Office Supplies, Stationery, Gift Stores-4532	\$896,829	\$809,806	\$87,023
Office Supplies and Stationery Stores-45321	\$511,040	\$628,472	(\$117,432)
Gift, Novelty and Souvenir Stores-45322	\$385,789	\$181,334	\$204,455
Used Merchandise Stores-4533	\$188,654	\$43,409	\$145,245
Other Miscellaneous Store Retailers-4539	\$1,192,248	\$967,543	\$224,705
Non-Store Retailers-454	\$5,541,778	\$1,580,339	\$3,961,439
Electronic Shopping, Mail-Order Houses-4541	\$3,838,894	\$0	\$3,838,894
Vending Machine Operators-4542	\$273,246	\$0	\$273,246
Direct Selling Establishments-4543	\$1,429,637	\$1,580,339	(\$150,702)
Foodservice and Drinking Places-722	\$8,131,212	\$5,942,037	\$2,189,175
Full-Service Restaurants-7221	\$3,677,319	\$1,571,460	\$2,105,859
Limited-Service Eating Places-7222	\$3,447,493	\$4,370,577	(\$923,084)
Special Foodservices-7223	\$667,396	\$0	\$667,396
Drinking Places -Alcoholic Beverages-7224	\$339,003	\$0	\$339,003

Source: Claritas Incorporated

Appendix A: 5-mile Radius Map (Source: Claritas Incorporated)



1434 WASHINGTON ST
 FRANKLINTON, LA 70438-2139
 Coord: 30.847696, -90.148304
 Radius - See Appendix for Details



Appendix B: 2007 Average Daily Traffic Counts for Franklinton-area Roads and Highways
(Sources: Louisiana Department of Transportation and Development (data) and ESRI (map))

