



ROCKEFELLER GROUP
10 EDISON
ROUTE 27, EDISON, NEW JERSEY

LABOR FORCE ASSESSMENT

EDISON, NJ
SEPTEMBER 9TH, 2019

LABOR FORCE SUMMARY

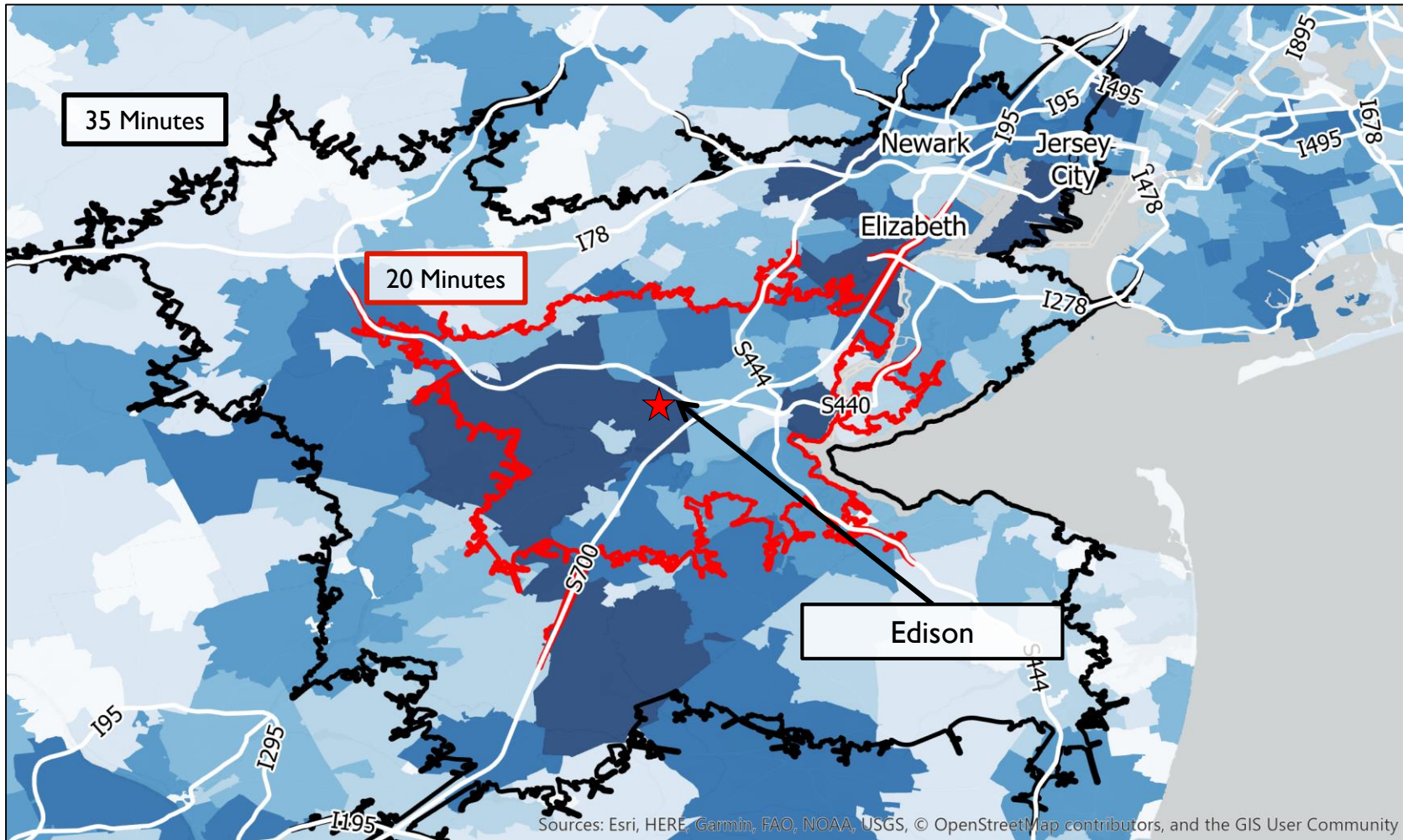
This labor force assessment identified and analyzed the laborshed (that is, the geographic area from which a company could reasonably hire workers from) for Edison, NJ. The four key criteria analyzed included Labor Supply, Labor Demand, Labor Costs, and Organized Labor.

Based on the results, Site Selection Group believes the distribution labor force accessible to Edison to be favorable overall, and no major deficiencies were uncovered.

	POSITIVE ATTRIBUTES	NEGATIVE ATTRIBUTES	KEY TAKEAWAYS
LABOR SUPPLY	<ul style="list-style-type: none"> ✓ 6,000+ workers commute into immediate area surrounding the site. ✓ Strong concentration and growth of key workforce. 	<ul style="list-style-type: none"> – Relatively low unemployment. – Demographics less aligned for warehouse workers than national average. 	<ul style="list-style-type: none"> ○ Strong concentration and growth of key workforce, and opportunity to leverage net inflow of warehouse workers into region.
LABOR DEMAND	<ul style="list-style-type: none"> ✓ Job postings activity indicates that employers are working relatively less to hire warehouse labor in the area. 	<ul style="list-style-type: none"> – Projected warehousing industry growth is moderately high, a potential sign of increased competition in the future. 	<ul style="list-style-type: none"> ○ Job postings activity indicates employers are not having significant issues filling positions.
LABOR COST	<ul style="list-style-type: none"> ✓ Median wage for warehouse and supplemental labor is below national average, and also less expensive in the laborshed than the broad metro area. 	<ul style="list-style-type: none"> – However, cost of living is high in the region, with moderate wage escalation. 	<ul style="list-style-type: none"> ○ Competitive labor costs, however, high cost of living could further escalate wages.
ORGANIZED LABOR	<ul style="list-style-type: none"> ✓ Larger than average count of organization attempts, however, much lower than greater metro area. 	<ul style="list-style-type: none"> – Non-Right-To-Work state, relatively high unionization rate and activity. 	<ul style="list-style-type: none"> ○ Higher than average unionization threat.

COMMUTE & LABORSHED ANALYSIS

The map below shows warehouse and distribution occupation concentration by home ZIP code. Darker blue ZIP codes represent a higher percentage of the resident labor force working in the distribution occupation cluster.



The accurate laborshed around Edison is **35 minutes**. There are **6,285 warehouse laborers that travel into the tighter, 20-minute radius around the area** from outside the area, indicating that workers will commute for jobs near the area.

KEY LABOR FORCE CHARACTERISTICS

EDISON, NJ

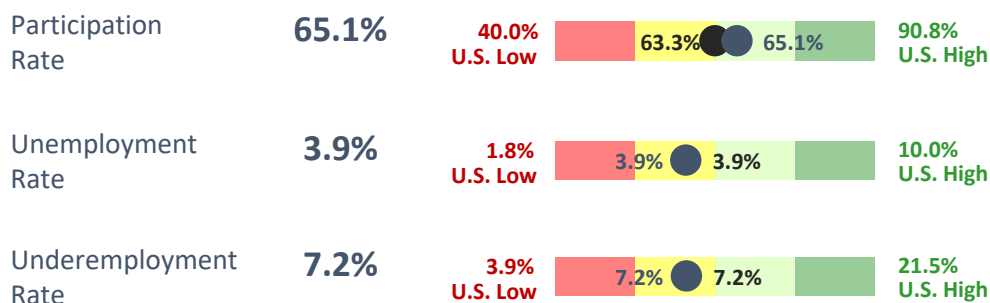
POPULATION 3,064,236
35- Minute Drive Time

LABOR FORCE 1,605,653
35- Minute Drive Time

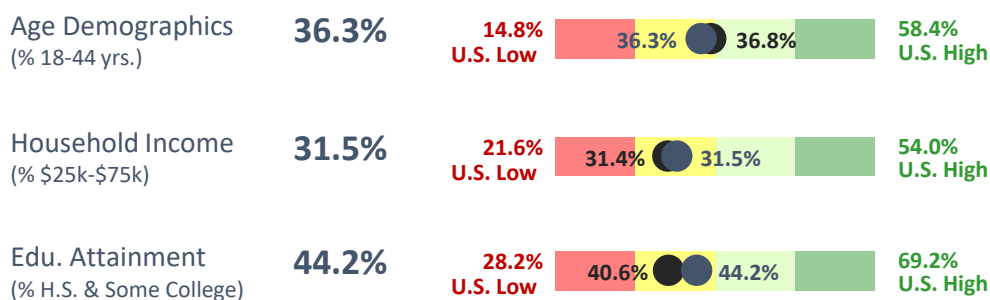
Key Labor Supply Takeaways

- *Relatively low unemployment and underemployment could indicate tight labor market.*
- *Target demographic distributions slightly less aligned for warehouse work than national averages.*
- *High concentration and growth of warehouse workers in laborshed.*

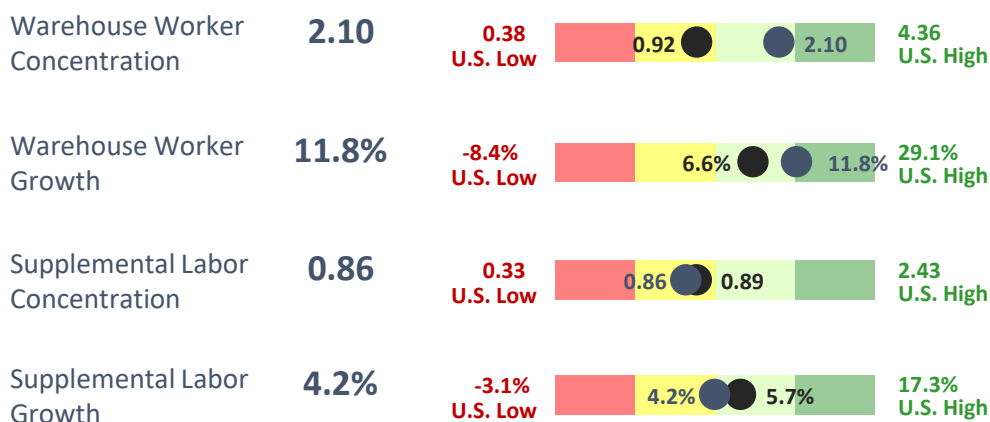
LABOR SCALABILITY



TARGET DEMOGRAPHICS



OCUPATION STATISTICS



● 35-Minute Drive Time around Edison

● Greater New York - Newark - Jersey City Metro Area

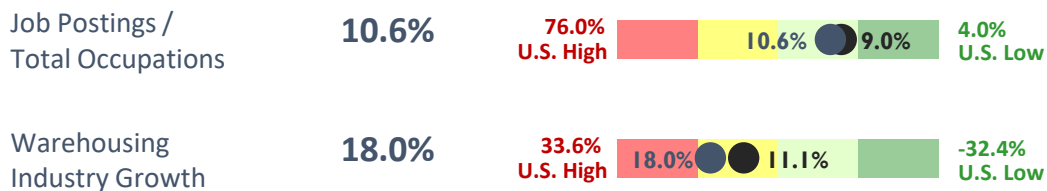
KEY LABOR FORCE CHARACTERISTICS

EDISON, NJ

Key Demand, Costs, and Union Takeaways

- *Job postings relative to warehouse occupations is below national average, indicating employers are finding workers relatively easily.*
- *However, high projected warehousing industry growth indicates potential for future demand.*
- *Some union activity and threat.*
- *Wages for warehouse and supplemental workers are more favorable in the laborshed compared to national averages and also the metro area. However, relatively high cost of living.*

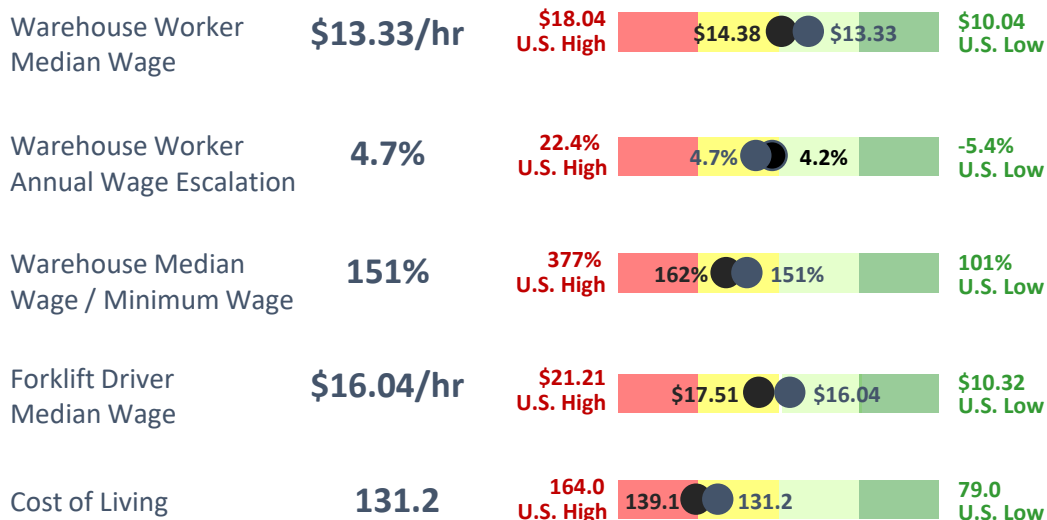
LABOR DEMAND



ORGANIZED LABOR



LABOR COST



● 35-Minute Drive Time around Edison

● Greater New York - Newark - Jersey City Metro Area

LABOR FORCE VALUE PROPOSITION

EDISON, NJ



LABOR SUPPLY

Net inflow of 6,000+ warehouse workers into immediate area indicates workers will travel for warehouse wages.

- ✓ Strong concentration and growth of distribution workforce, concentration is especially strong compared to metro area.
- ✓ Income and educational profiles are more aligned in laborshed than metro area.



LABOR DEMAND

Job postings activity indicates tempered hiring pressures.

- ✓ The number of job postings in the area relative to warehouse workers indicates employers are not having significant issues hiring labor.



LABOR COSTS

Competitive wages for distribution labor in the area.

- ✓ Wages are lower in the laborshed than the broad metro area, and lower minimum wage in New Jersey compared to New York state.
- ✓ Wages are also lower than the national average.



ORGANIZED LABOR

Despite relatively higher unionization rates, fewer organizational filings compared to overall metro area.

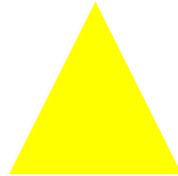
- ✓ More favorable conditions compared to greater metro area.

EXECUTIVE SUMMARY OF LABOR FORCE CONDITIONS

EDISON, NJ



Opportunity to attract 6,000+ warehouse workers commuting into immediate area. Strong concentration and projected growth of key workforce.



Moderate threat of organized labor. High cost of living.



None.

GLOSSARY & DATA SOURCES

LABOR SUPPLY	DEFINITION	SOURCE
LABOR SCALABILITY		
Participation Rate	Number of workers in labor force divided by population	Experian 2019
Unemployment Rate	Both “official” unemployment rate and estimated rate for laborshed	Experian 2019 & BLS LAUS (July 2019)
Underemployment Rate	Percentage of workers employed but seeking better work opportunities	Experian 2019 & BLS CPS
TARGET DEMOGRAPHICS		
Age Demographics (% 18-44)	% of population in target age categories for warehouse work	Experian 2019
Household Income (% \$25k-\$75k)	% of population in target income categories for warehouse work	Experian 2019
Educational Attainment (% H.S. & Some College)	% of population in target educational levels for warehouse work	Experian 2019
OCCUPATION STATISTICS		
Warehouse Worker Occupation Concentration	Concentration of key direct warehouse labor where 1.00 equals the national average. Includes picker-packers, forklift, etc.	EMSI 3Q 2019
Warehouse Worker Occupational Growth	Projected five-year percentage growth for that occupational cluster	EMSI 3Q 2019
Supplemental Occupation Concentration	Concentration of other occupations applicable to warehouse work where 1.00 equals the national average. Includes retail, food service, etc.	EMSI 3Q 2019
Supplemental Occupation Growth	Projected five-year percentage growth for that occupational cluster	EMSI 3Q 2019

OTHER FACTORS	USE	SOURCE
LABOR DEMAND		
Job Postings / Occupations	Total	Annual online job postings for Warehouse Worker cluster divided by current cluster presence
Warehousing Industry Growth		Projected five-year employment growth in warehousing and related
ORGANIZED LABOR		
Most Recent Unionization Rate	Overall private union membership rate	BLS CPS via UnionStats
Total Count of Filings	Total number of organization attempts since January 1, 2014	National Labor Relations Board
LABOR COSTS		
Warehouse Worker Wage	Median wage for Warehouse Worker cluster	ERI & EMSI 3Q 2019
Warehouse Worker Wage Growth	Growth in wages for Warehouse Worker cluster	EMSI 3Q 2019
Warehouse Worker Wage / Minimum Wage	Dividing above by minimum wage to understand competitive positioning	ERI, EMSI, and multiple sources
Forklift Driver Wage	Median wage specifically for forklift drivers	ERI & EMSI 3Q 2019
Cost of Living	Cost of living in region	ERI



8235 Douglas Avenue
Suite 500
Dallas, Tx 75225

siterelectiongroup.com