

Outlook

Ohio’s unemployment rate was 8.8 percent in January, compared to 5.7 percent a year ago. The national rate for January was 7.6 percent.

Total employment in Ohio is expected to increase 5.0% over the 10-year period from 2006 to 2016—a projected gain of 290,700 jobs.

Personal income in Ohio grew at 4.7 percent in 2007. The state’s per capita income was reported at \$34,874. Moody’s Economy.com is projecting sluggish activity through 2009 with 1.3 percent increase in personal income. Healthcare hubs, relatively low business costs and increasing diversification in the metropolitan areas are areas of economic strength.

Gross Domestic Product

Ohio's gross domestic product was \$ 466 billion in 2007, making Ohio the seventh largest state economy. Ohio ranks third among the 50 states in manufacturing gross domestic product.

Leading Industries

Ohio's manufacturing sector employs 669,600 people. The state's factories lead the nation in the production of plastics and rubber, fabricated metals, and electrical equipment and appliances. Ohio also is a leading producer of steel, autos, and trucks.

Businesses

The state’s private sector is comprised of 921,000 firms, according to the U.S. Small Business Administration. About 4,000 firms, employ 500 or more workers. Collectively, they employ 50.4 percent of the non-farm private sector workforce. Wal-Mart is the largest private sector employer with 55,000 Ohio employees.

Small businesses employing one or more workers account for 25 percent of all firms and employ 49.6 percent of the workforce. Non-employer firms comprise 74 percent of all businesses.

Location

Located in the heart of the nation's industrial region, Ohio is strategically situated on the great inland waterways and crisscrossed by the interstate roadway system. Sixty percent of all U.S. and Canadian households lie within 600 miles of Ohio.

Population Centers

Seventh in the nation in total population, Ohio's population of 11,486,787 people is concentrated in 16 metropolitan areas and 29 micropolitan areas.

The largest metropolitan area in Ohio is the Cleveland-Akron-Elyria Combined Statistical Area with 2,896,968 people. Other metropolitan areas with populations in excess of 500,000 include Cincinnati, Columbus, Dayton, Toledo, and Youngstown.

**Wage and Salary Employment
January 2009**

| Industry | Employment | Percent |
|---------------------------|------------|---------|
| Total for Ohio..... | 5,212 | 100.0% |
| Mining..... | 11 | 0.2% |
| Construction..... | 189 | 3.6% |
| Manufacturing..... | 670 | 12.9% |
| Trade/Trans/Utilities.... | 1,010 | 19.4% |
| Information..... | 83 | 1.6% |
| Financial Activities..... | 282 | 5.4% |
| Prof/Tech Services..... | 638 | 12.2% |
| Health/Education..... | 825 | 15.8% |
| Leisure/Hospitality..... | 500 | 9.6% |
| Other Services..... | 217 | 4.2% |
| Government..... | 787 | 15.1% |

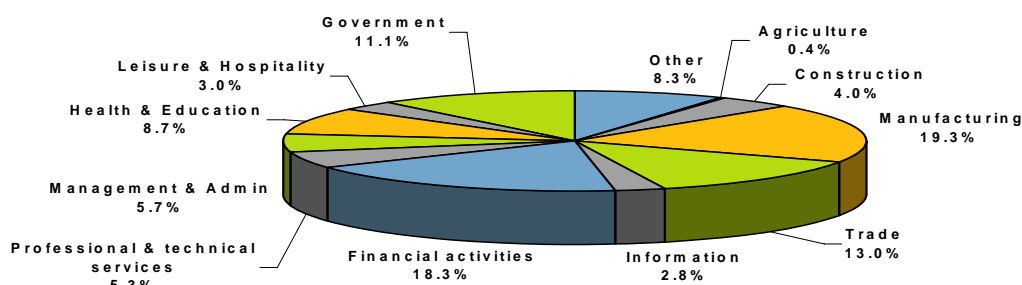
Note: seasonally adjusted nonfarm employment in thousands.
Source: Ohio Bureau of Labor Market Information.

The Structure of Ohio's Economy

Ohio's companies are technology intensive. Recently, Battelle using federal government standards identified over 28,000 establishments employing 820,000 people as Ohio's technology engine. Overall, it was found that Ohio has a 14% higher concentration of technology operations than the nation.

Transportation equipment and fabricated metals, Ohio's two largest manufacturing industries, are closely identified with a number of nationally recognized firms with a major presence in Ohio, including General Electric, General Motors, Ford,

Ohio's Gross Domestic Product by Sector



In research, Ohio's educational institutions and private research facilities have core strengths in advanced manufacturing, biosciences, instruments and controls, power and propulsion and information technology. The National Science Foundation identifies \$8.2 billion in R&D contracts in Ohio, ranking the state 13th nationally. Individuals in Ohio received over 2,250 patents ranking the state 12th nationally. Ohio State University, Case Western Reserve University, and the University of Cincinnati are major research institutions that receive over \$150 million annually in federal research grants. Combined with NASA Glenn, Battelle Institute, and Wright-Patterson Air Force Base, Ohio is a major center of emerging technologies.

Manufacturing is the largest of Ohio's major sectors, based on GDP. These sectors and their contributions to Ohio's economy are presented in the chart above. About 67 percent of the state's manufacturing output consists of durable goods—compared to 58 percent for the nation.

Chrysler LLC, Honda, AK Steel, ArcelorMittal, Timken, and Wheeling-Pittsburgh Steel.

Other notable firms include Procter & Gamble, NCR, The Limited, Sherwin-Williams, and numerous financial institutions such as J.P. Morgan Chase, KeyCorp, Huntington Bancshares, and Fifth Third Bancorp.

The state's two leading export commodities are motor vehicles and machinery. Ohio firms ship products to 205 countries, and the state accounts for about 3.9% of the U.S. export total. Ohio merchandise exports were \$42.4 billion in 2007.

The service-producing sectors produce 76 percent of the state GDP and will account for virtually all job growth over the 2004-2014 period.