

2013

State of the Northwest Arkansas Region 2013 Report

Katherine A. Deck

Mervin Jebaraj
University of Arkansas, Fayetteville

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2013 State of the Northwest Arkansas Region Report

NORTHWEST ARKANSAS
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The Center for Business and Economic Research at the Sam M. Walton College of Business provides excellence in applied economic and business research to federal, state, and local government, as well as to businesses currently operating or those that desire to operate in the state of Arkansas. The Center further works to improve the economic opportunities of all Arkansans by conducting policy research in the public interest.

The Northwest Arkansas Council is a nonprofit organization that has worked since 1990 to solve regional issues. It focuses on economic development, infrastructure, education, and community vitality. Visit www.nwacouncil.org for more information.



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2013 State of the Northwest Arkansas Region Report

Executive Summary

The State of the Northwest Arkansas Region Report is an annual publication that serves as a tool for evaluating the economic performance of the region in comparison with those peers that are most likely to compete with Northwest Arkansas by virtue of a similar industry mix or geographic proximity. As a player in the global economy, Northwest Arkansas has more to offer than superior performance in traditional economic development categories such as employment, unemployment, establishment growth, and income. This region showcases strengths in newer categories of economic development like the knowledge-based sectors, and quality of life indicators such as cost of living, crime, and health. This report highlights and presents these diverse indicators mentioned above and compares them to peer regions.



The Northwest Arkansas Region: Key Economic Indicators

The Northwest Arkansas region is defined as the Fayetteville-Springdale-Rogers Metropolitan Statistical Area, which is comprised of Benton, Madison, and Washington counties in Arkansas and McDonald County in Missouri. The region includes 50 incorporated cities and 15 unincorporated communities. According to 2012 U.S. Census Bureau estimates, the population of the Northwest Arkansas region was 482,200 and grew at a rate of 1.7 percent between 2011 and 2012. The most recent data available from 2013 show that the Northwest Arkansas region has an employed workforce of 218,700 people. The trade, transportation and utilities, professional and business services, government, and manufacturing sectors account for 67 percent of the region's employment. The total economic activity in the region, as measured by the metropolitan gross domestic product, was \$17.2 billion in 2011.

Return to Long-Term Growth

Even though the Northwest Arkansas region was impacted by the nationwide recession in 2008 and 2009, the region has, for the most part, recovered from the downturn. While the extent of the harm from the recession in Northwest Arkansas was not as harsh as in the rest of the country, the region's economic performance generally has returned to its pre-recession trend.

Employment

During the period from 2011 to 2012, employment in Northwest Arkansas grew 3.0 percent, a rate that outstripped competitor regions, the state of Arkansas and the nation as a whole. Between 2007 and 2012, Northwest Arkansas total employment grew 1.0 percent, which was also faster than any peer region. The region added an additional 8,800 jobs between June 2012 and June 2013. Employment in the region reached a new peak level of 219,300 in April 2013 before seasonally dropping to 218,700 in June 2013.

Establishment Growth

From 2007 to 2012, the number of business establishments declined by 1.9 percent in Northwest Arkansas. This decline was more pronounced than those in the peer regions, the state, and the nation. The number of establishments in Northwest Arkansas declined 2.6 percent in 2009 and 1.2 percent in 2010 before increasing 0.1 percent in 2011 and 0.5 percent in 2012. The Northwest Arkansas establishment growth rate in 2012 was in the middle of the pack when compared to peer regions, the state and the nation.

Personal Income

Between 2007 and 2011, the Northwest Arkansas region's per capita personal income grew 5.0 percent, a rate that was slower than all the peer regions and the state. In 2011, the per capita personal income stood at \$34,130, which was 3.7 percent higher than in 2010.

Academic Research and Development

Nearly \$114 million of research and development expenditures were made by the University of Arkansas in 2010, up 8.0 percent from the previous year. The university's research expenditures placed at the 135th rank among research universities in that year.

Adult Education Attainment

27.8 percent of adults in Northwest Arkansas have attained a bachelor's degree or higher, ranking the region second to last among competitor regions, but better than the Arkansas average.

Cost of Home Ownership and Cost of Living

In 2007, home ownership costs accounted for 18.6 percent of household income in Northwest Arkansas. The measure dropped to 17.9 percent in 2011. Home ownership costs in Northwest Arkansas are in the middle of the pack when compared to costs in peer regions.

Poverty Indicators

The poverty rate in Northwest Arkansas was 17.2 percent in 2011. This rate increased 2.2 percent from 2010 and 3.1 percent from the rate in 2007. The Northwest Arkansas poverty rate in 2011 was the highest among peer regions.

Commuting Statistics

In 2011, 75.1 percent of Northwest Arkansas workers spent fewer than 30 minutes commuting to work, while 3.5 percent of the region's workers used alternative modes of transportation to get to work, including biking, walking, and mass transit.

Health Indicators

In 2011, 82.6 percent of the residents of Northwest Arkansas had health insurance coverage. This percentage was lower than the health insurance coverage rate in peer regions with one exception. Compared to the rest of the state of Arkansas, the two major counties in the Northwest Arkansas region (Benton and Washington) had better health trends in some fields such as a lower rate of adult smoking and a lower rate of adult obesity.

Conclusion

The third annual State of the Northwest Arkansas Region Report presents the Northwest Arkansas region through the lens of economic and quality of life indicators. While not comprehensive, the report provides insights into the region's superior performance in several indicators while highlighting areas that need improvement and lag behind peer regions. The region's high levels of employment growth and population growth are tempered by the slow progress in indicators such as adult educational attainment and poverty. The Northwest Arkansas region has made improvements in these indicators when compared to past years but still has significant ground to make up against peers. Building on strengths in population and employment growth, the Northwest Arkansas region will need to continue efforts to maintain the growth while addressing the challenges presented by lower educational attainment, higher poverty rate, and modest income growth. Ongoing strategic initiatives to address these challenges will ensure that Northwest Arkansas remains on the path towards sustaining a vibrant area for business and living.



THE NORTHWEST ARKANSAS REGION: Snapshot of Key Economic Indicators

Northwest Arkansas is comprised of Benton, Washington, and Madison counties in Arkansas and McDonald County in Missouri. The region is centered around the four large cities along the Interstate 540 corridor: Bentonville, Rogers, Springdale, and Fayetteville. Along with the headquarters of Walmart, Tyson Foods, and JB Hunt Transport Services, the University of Arkansas helps provide a strong economic center for the region.

2012 Population: 482,200

2011-2012 Population Growth: 1.7%

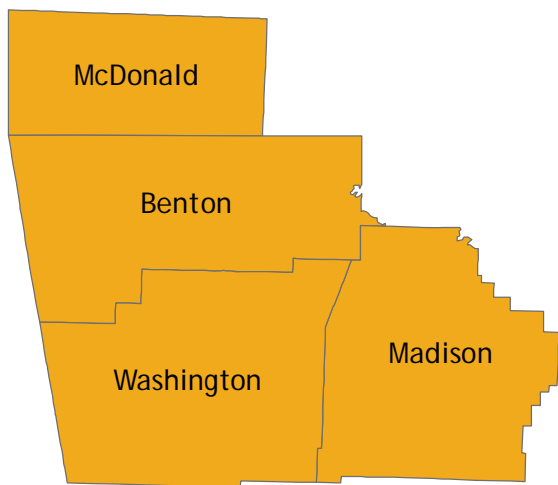
2011-2012 Population Change Rank: 38/381

2012 Employed Workforce: 210,200

2012 Unemployment Rate: 5.6%

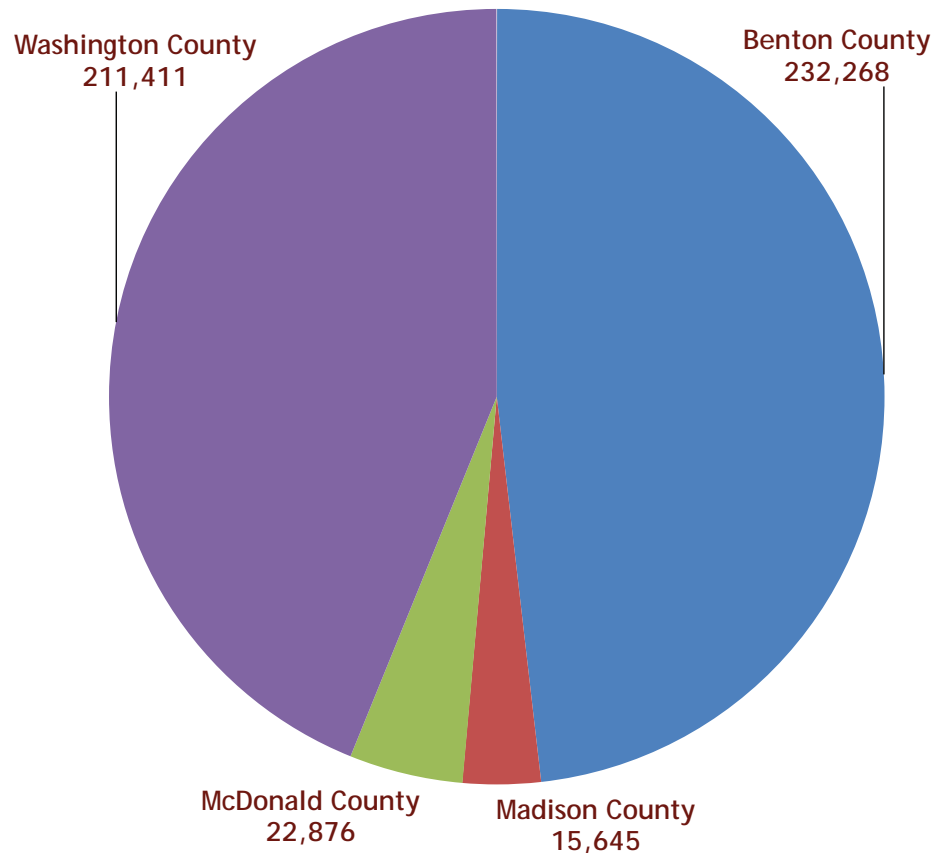
2011 Gross Metro Product: \$17.2 billion

2011 Per Capita Personal Income: \$34,130



County Populations 2012

Source: U.S. Census Bureau estimate



The Northwest Arkansas Region's Economy: Employment by Sector

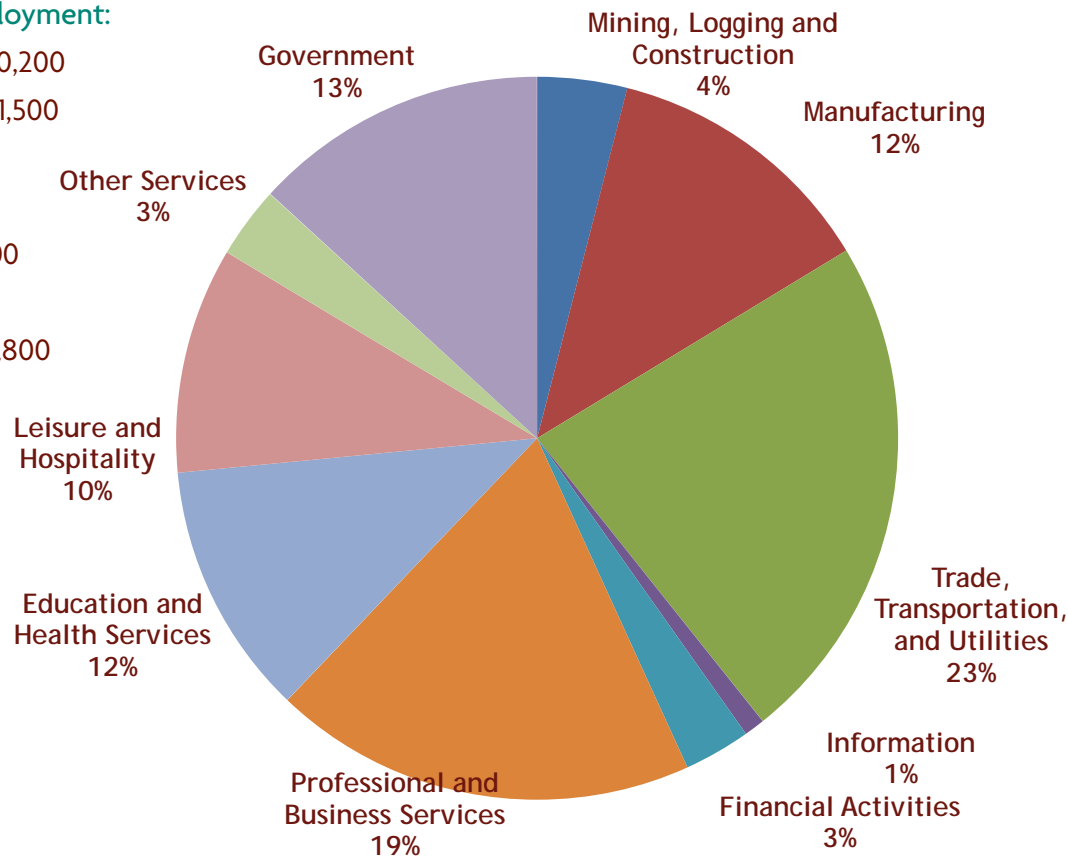
Northwest Arkansas has a well-diversified employment portfolio with employment of more than 210,000. Employment in the Northwest Arkansas economy is led by the trade, transportation and utilities sector and also is relatively concentrated in the professional and business services sector, the government sector, and the manufacturing sector. Education and health services and the leisure and hospitality sectors are growth sectors in Northwest Arkansas.

June 2013 Snapshot of Regional Employment:

Trade, Transportation and Utilities: 50,200
 Professional and Business Services: 41,500
 Government: 28,900
 Manufacturing: 26,900
 Education and Health Services: 24,800
 Leisure and Hospitality: 22,100
 Mining, Logging and Construction: 8,800
 Other Services: 7,000
 Financial Activities: 6,500
 Information: 2,000

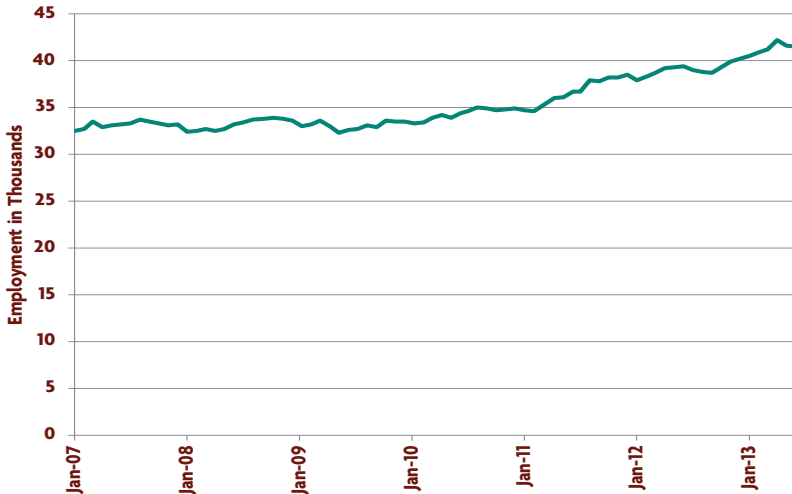
Employment by Sector (June 2013)

Source: U.S. Bureau of Labor Statistics



The Northwest Arkansas Region

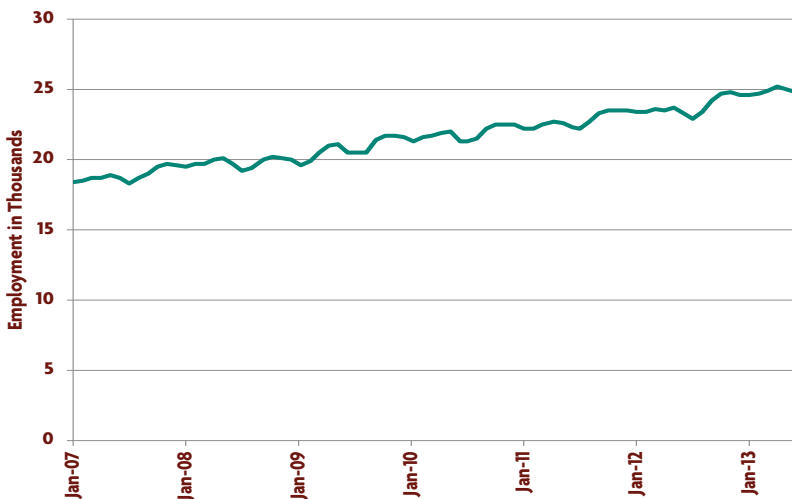
Employment by Sector: 2007-2013



Growth Sectors

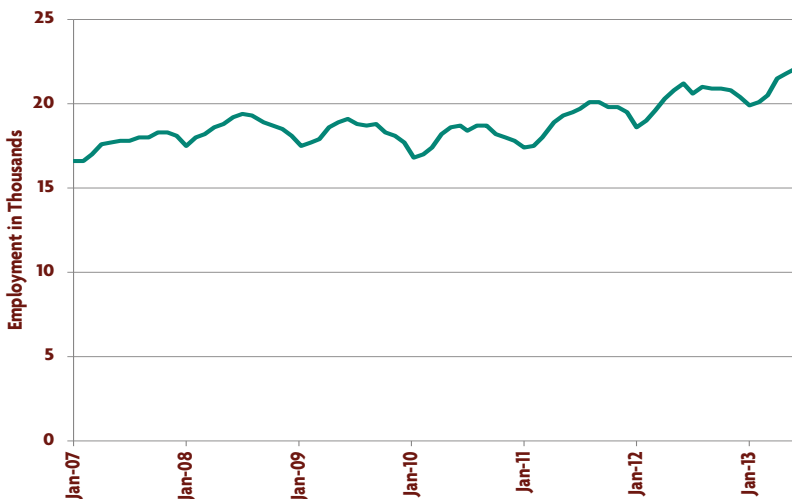
Professional and Business Services

The sector includes employment in establishments that perform professional, scientific and technical activities for others. These services range from legal work, accounting, bookkeeping and payroll to architectural and engineering services. This sector added 8,300 jobs to the Northwest Arkansas economy since 2007. Between June 2012 and June 2013, this sector added 2,100 of those jobs.



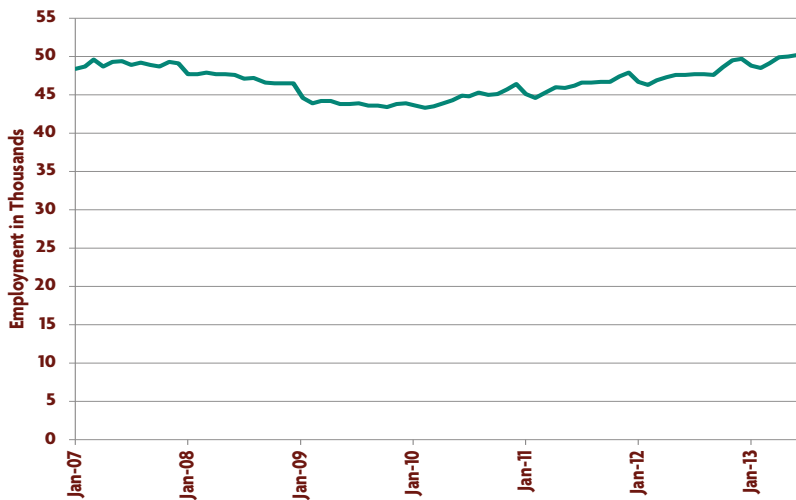
Education and Health Services

The education sector includes employment in public and private schools, colleges, universities and training centers. The health care sector is composed of employment in establishments that provide healthcare and social assistance for individuals. Employment in this sector grew from 18,700 in 2007 to 24,800 in 2013. The sector added 1,500 of those jobs from June 2012 to June 2013.



Leisure and Hospitality

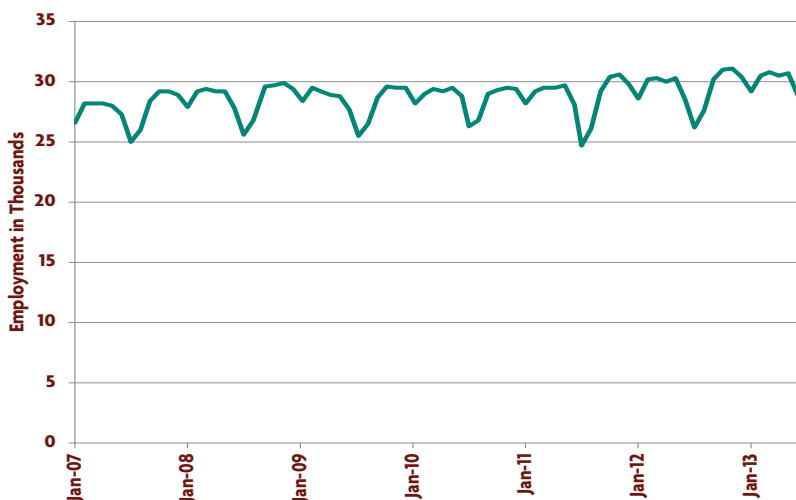
This sector includes employment in a wide range of businesses that operate facilities and provide services to meet cultural, entertainment, restaurant, hotel and recreational interests. The leisure and hospitality sector accounts for 10 percent of employment in the Northwest Arkansas economy and added 4,300 jobs since 2007. This sector grew by 900 jobs between June 2012 and June 2013.



Stable Sectors

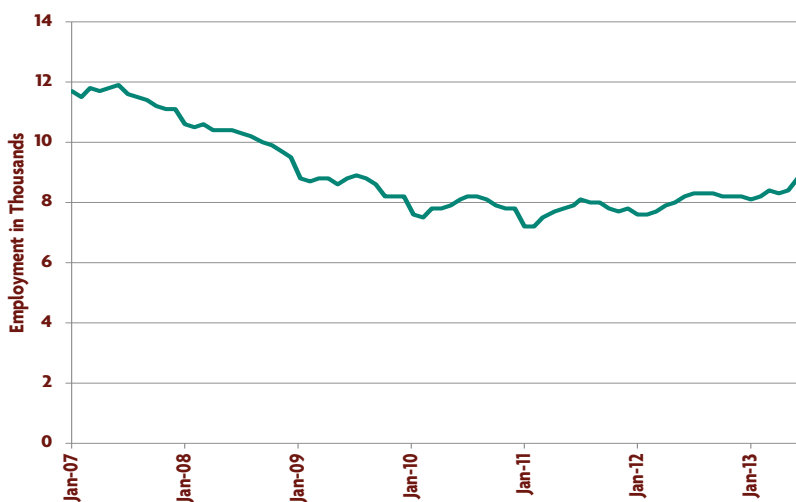
Trade, Transportation and Utilities

In this sector, employment from the wholesale trade, retail trade, transportation, warehousing and utilities sectors is included. This sector represents the largest share of employment in the Northwest Arkansas economy at 23.0 percent. Since 2007, this sector increased by only 800 jobs. However, from June 2012 to June 2013, the sector added 2,600 jobs in Northwest Arkansas.



Government

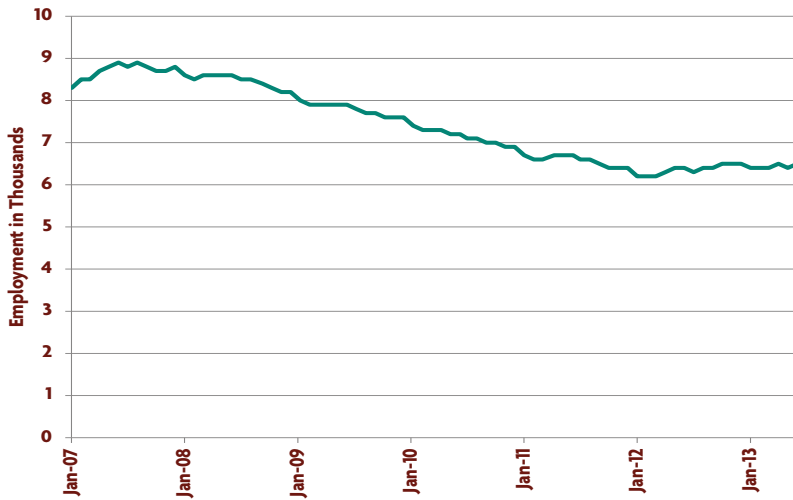
This sector includes employment in various federal, state and local agencies. This sector accounts for more than 13 percent of the area's employment but has remained fairly flat since 2007. Between June 2012 and June 2013, the sector added 400 jobs.



Declining Sectors

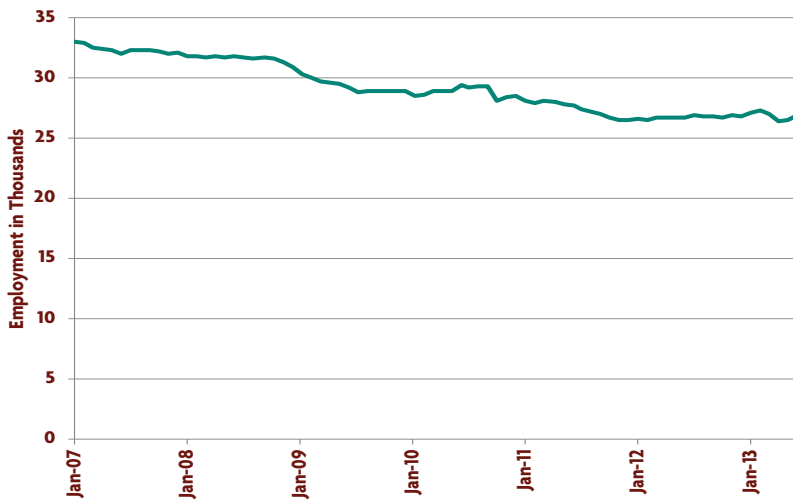
Mining, Logging and Construction

The mining sector is comprised of establishments that extract naturally occurring mineral solids, such as coal and ores; liquid minerals, such as crude petroleum; and gases, such as natural gas. The agriculture, forestry, fishing and hunting sector contains establishments primarily engaged in growing crops, raising animals, harvesting timber, and harvesting fish and other animals from a farm, ranch, or their natural habitats. The construction sector is made of establishments primarily engaged in the construction of buildings or engineering projects (e.g., highways and utility systems). Since 2007, employment in this sector declined by 3,100 jobs. However, between June 2012 and June 2013, the sector added 600 jobs.



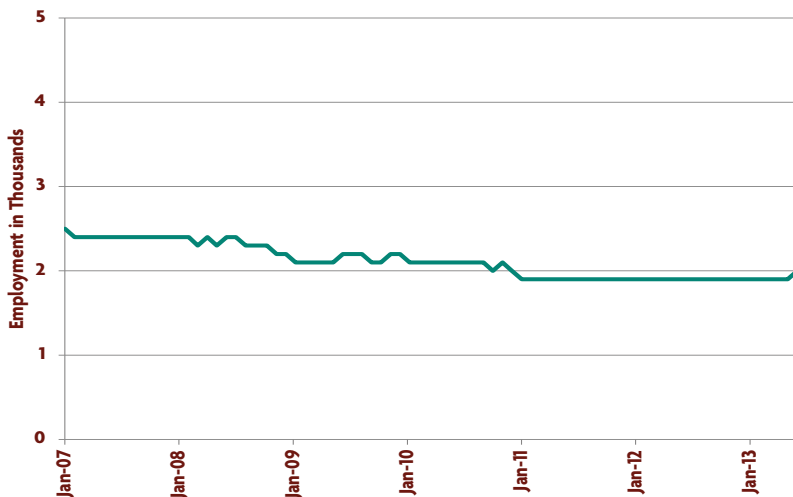
Financial Activities

The sector includes employment related to financial transactions, insurance and real estate activities. While this sector experienced substantial job growth prior to 2007, the sector has lost 2,400 jobs since then. From June 2012 to June 2013, 100 jobs were added in the financial activities sector in Northwest Arkansas.



Manufacturing

The manufacturing sector contains establishments engaged in the mechanical, physical, or chemical transformation of materials, substances, or components into new products. In a situation similar to many communities around the country, employment in the manufacturing industry has declined since 2007, losing some 5,100 jobs in the Northwest Arkansas region. From June 2012 to June 2013, 200 jobs were added in this sector.



Information

The information sector is comprised of establishments engaged in producing and distributing information and cultural products, providing the means to transmit or distribute these products as well as data or communications, and processing data. This sector, which currently represents 1.0 percent of the employment in Northwest Arkansas, has declined since 2007. In June 2013, this sector gained 100 jobs when compared to June 2012.

A brief overview of the peer regions highlighted in this report:

In this report, we compare the Northwest Arkansas region (the Fayetteville-Springdale-Rogers MSA) to five peer regions. These regions were chosen since they are often cited by site selectors as the regional and employment mix based competitors for the Northwest Arkansas region in terms of attracting economic prospects. The peer MSA regions are Tulsa, Oklahoma; Knoxville, Tennessee; Huntsville, Alabama; Omaha-Council Bluffs, Iowa-Nebraska; and Kansas City, Missouri-Kansas.



Omaha-Council Bluffs MSA

Nebraska-Iowa

2012 Population: 885,624

2011 Population: 877,171

Growth 2011-2012: 1.0%

MSA Growth Rank: 119/381

Kansas City MSA

Missouri-Kansas

2012 Population: 2,038,724

2011 Population: 2,024,937

Growth 2011-2012: 0.7%

MSA Growth Rank: 173/381

Knoxville, MSA

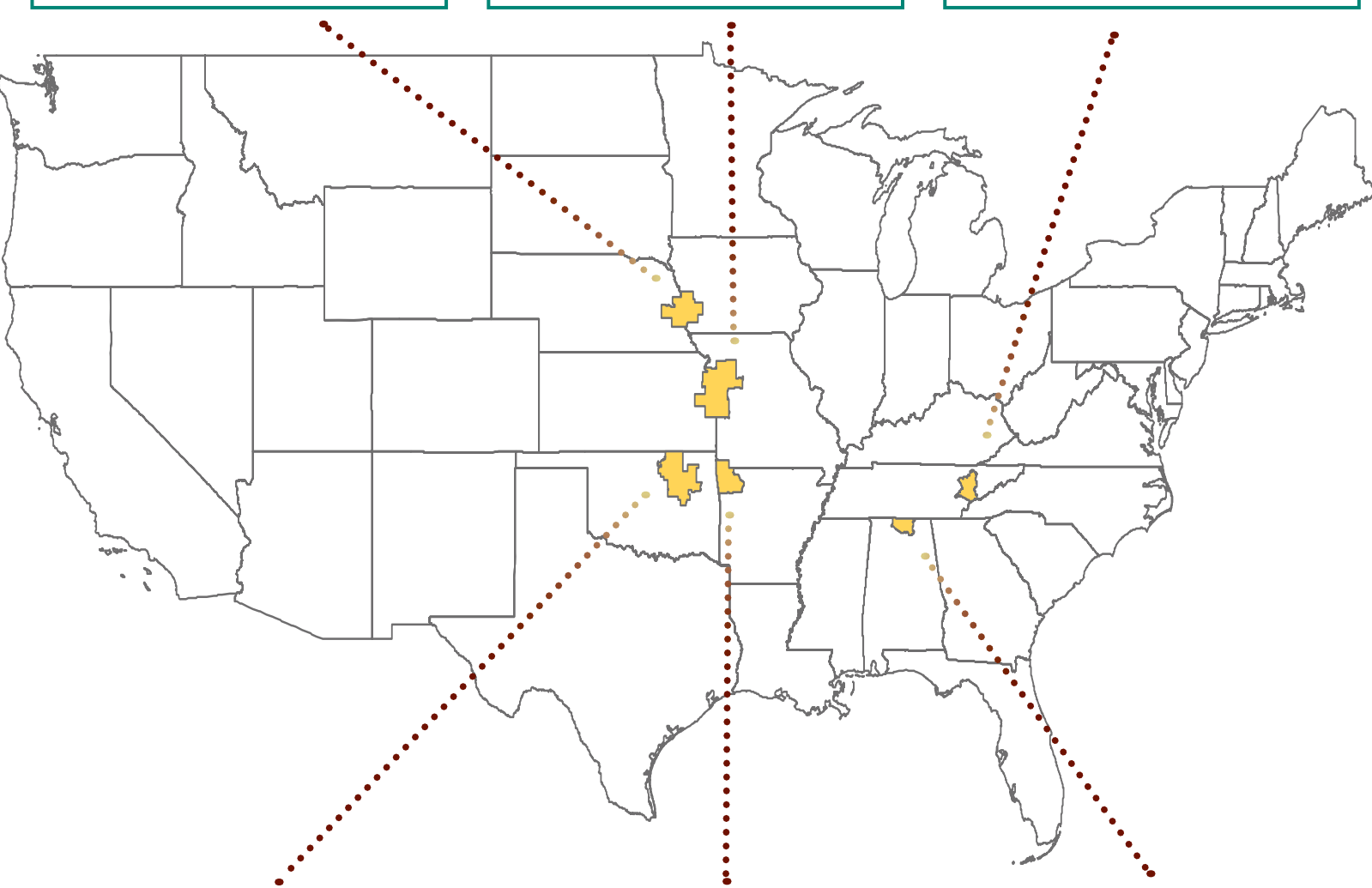
Tennessee

2012 Population: 848,350

2011 Population: 843,189

Growth 2011-2012: 0.6%

MSA Growth Rank: 187/381



Tulsa MSA

Oklahoma

2012 Population: 951,880

2011 Population: 945,386

Growth 2011-2012: 0.7%

MSA Growth Rank: 171/381

Fayetteville-Springdale-Rogers MSA

Arkansas-Missouri

2012 Population: 482,200

2011 Population: 473,933

Growth 2011-2012: 1.7%

MSA Growth Rank: 38/381

Huntsville MSA

Alabama

2012 Population: 430,734

2011 Population: 425,212

Growth 2011-2012: 1.3%

MSA Growth Rank: 173/381

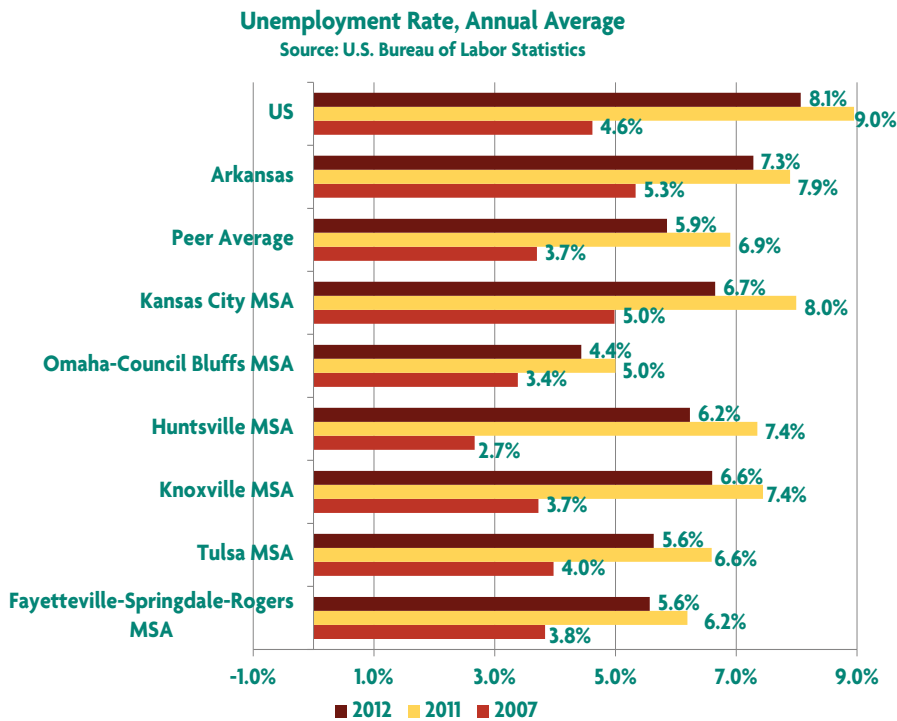
GREAT FOR BUSINESS: Northwest Arkansas Economic Indicators from 2007-2012

Even though the Northwest Arkansas region was impacted by the nationwide recession in 2008 and 2009, the region's economic strengths allowed it to weather the downturn and fare better than the state of Arkansas and the nation as a whole. Since the recession, the region has made significant progress recovering from the economic slump and, in most instances, has surpassed pre-recession peaks. Employment in the Northwest Arkansas region dropped from 208,200 in 2007 to 200,300 in 2010, but gained 10,000 jobs during the recovery between 2010 and 2012. This section of the report provides detailed statistics on the Northwest Arkansas economy and compares it to peer regions, the state, and the nation.



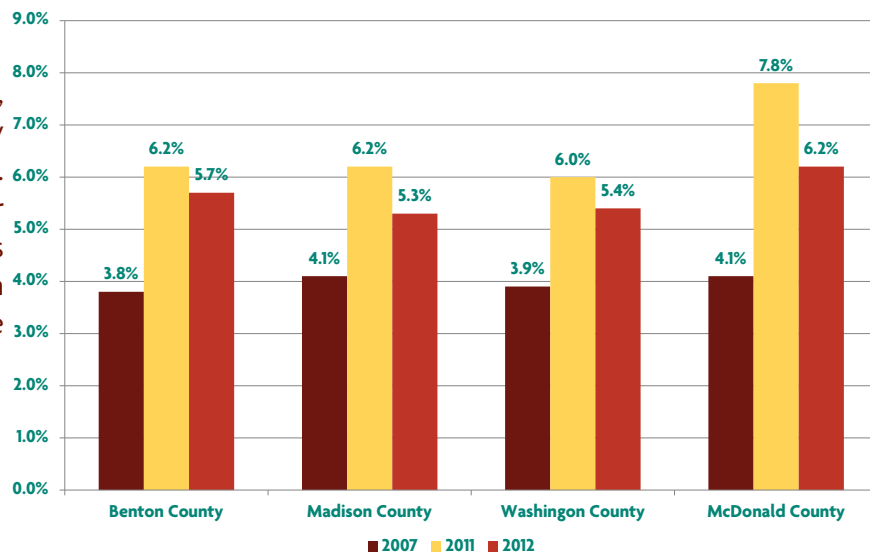
Unemployment

When compared to competitor regions, Northwest Arkansas was tied with the Tulsa region for the second lowest unemployment rate in 2012. The unemployment rate in 2012 dropped 0.6 percent from the rate in 2011 but remained 1.7 percent higher than the unemployment rate in 2007. The 2012 unemployment rate of 5.6 percent in Northwest Arkansas was lower than the peer region average of 5.9 percent and significantly lower than the state unemployment rate of 7.3 percent and the national unemployment rate of 8.1 percent.



**Northwest Arkansas Region
County Unemployment Rates**
Source: U.S. Bureau of Labor Statistics

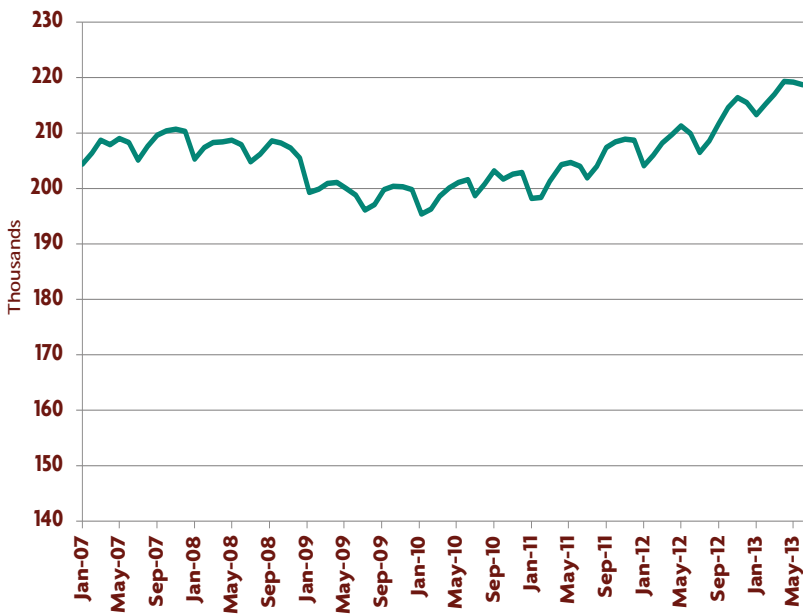
While the unemployment rates were low in 2007, the recession caused significant surges in the county level unemployment rates in Northwest Arkansas. McDonald County in Missouri has significantly higher unemployment than the Northwest Arkansas counties in the region over the past five years. As the region returned to regular growth, the unemployment rate decreased in all four counties between 2011 and 2012.



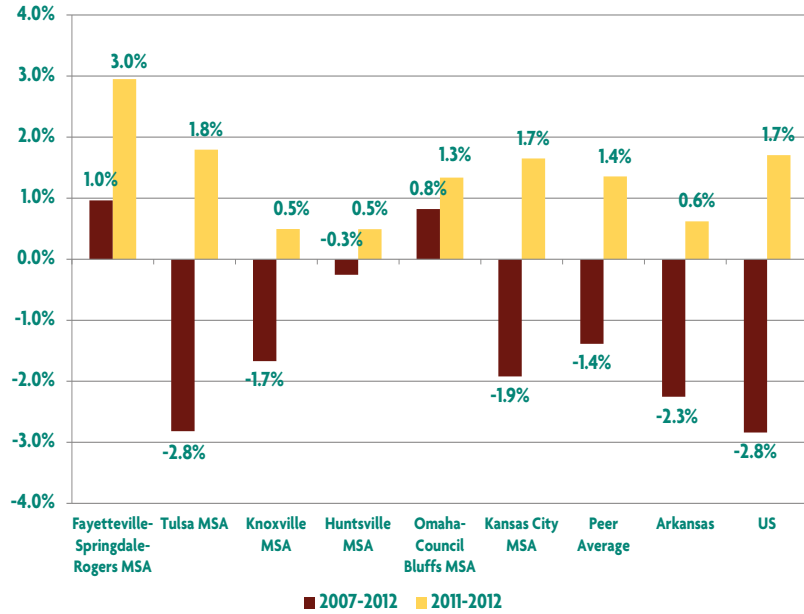
Employment

From 2007 to 2012, a time period that included the Great Recession, employment in Northwest Arkansas grew 1.0 percent, which was faster than peer regions, the state of Arkansas, and the nation as a whole. The pace of employment growth picked up to 3.0 percent between 2011 and 2012, a rate that outstripped peer regions, the state and the nation. The region added 8,800 jobs between June 2012 and June 2013. Employment in the region reached a new peak level of 219,300 in April 2013 before seasonally dropping to 218,700 in June 2013.

Northwest Arkansas Employment Levels
Source: U.S. Bureau of Labor Statistics

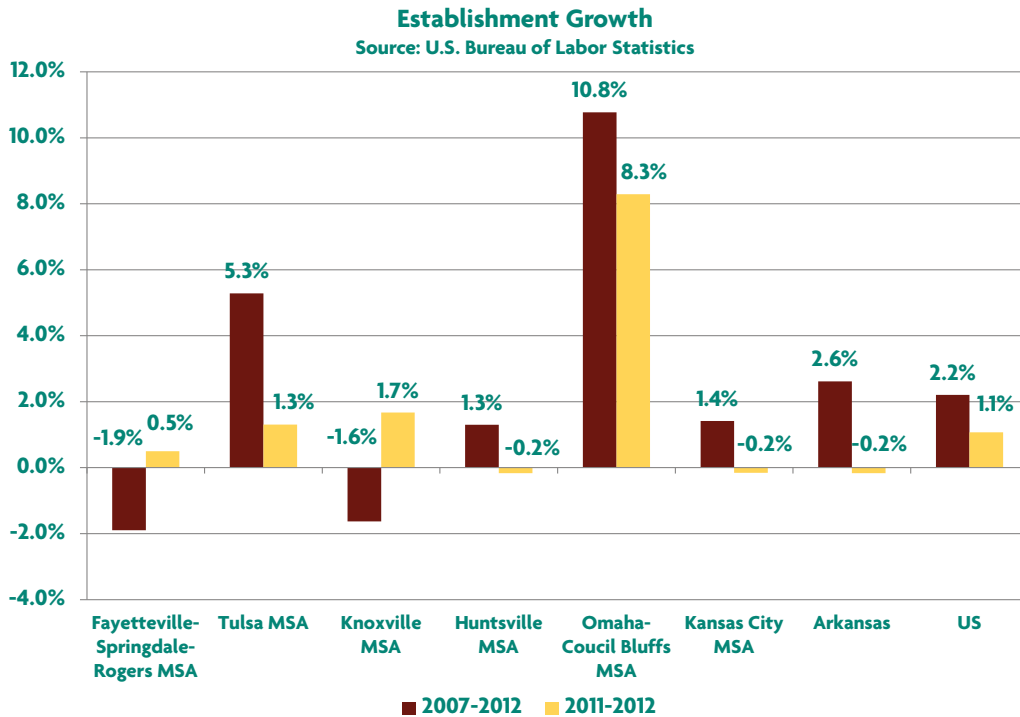


Employment Growth Rate
Source: U.S. Bureau of Labor Statistics



Establishment Growth

From 2007 to 2012, the number of business establishments in Northwest Arkansas declined 1.9 percent. This decline was more pronounced than those in peer regions, the state, and the nation. After increasing at an annual rate of 4.9 percent from 2001 to 2008, the number of establishments in Northwest Arkansas declined 2.6 percent in 2009 and 1.2 percent in 2010 before increasing 0.1 percent in 2011 and 0.5 percent in 2012. The Northwest Arkansas establishment growth rate in 2012 was in the middle of the pack when compared to peer regions, the state, and the nation.

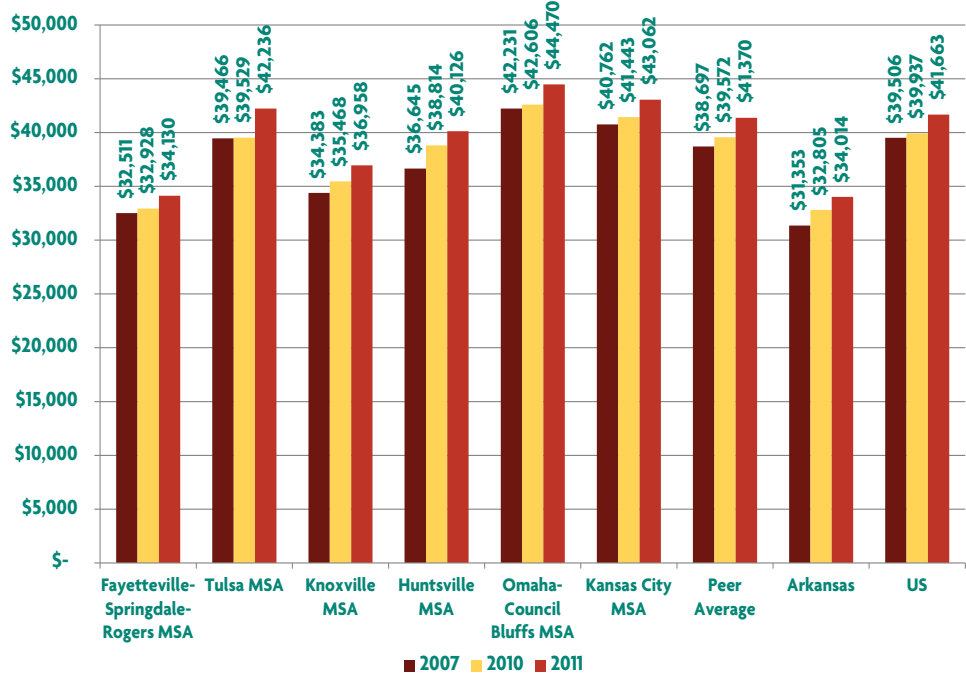


Income

Per capita personal incomes in Northwest Arkansas have tended to be higher than those in Arkansas, but below peers and the nation as a whole. The peer regions had on average a per capita personal income that was 21.1 percent higher than Northwest Arkansas in 2011. Between 2007 and 2011, the Northwest Arkansas region's per capita personal income grew 5.0 percent, a rate that was slower than all the peer regions and the state. In 2011, per capita personal income in Northwest Arkansas stood at \$34,130, which was 3.7 percent higher than the previous year.

The median household income in the Northwest Arkansas region was \$45,138 in 2011, the most recent year available. This income level was 0.1 percent higher than in 2010, and 1.3 percent higher than the median income in 2007.

Per Capita Personal Income
Source: U.S. Bureau of Economic Analysis



Median Household Income in the Fayetteville-Springdale-Rogers MSA
Source: U.S. Census Bureau

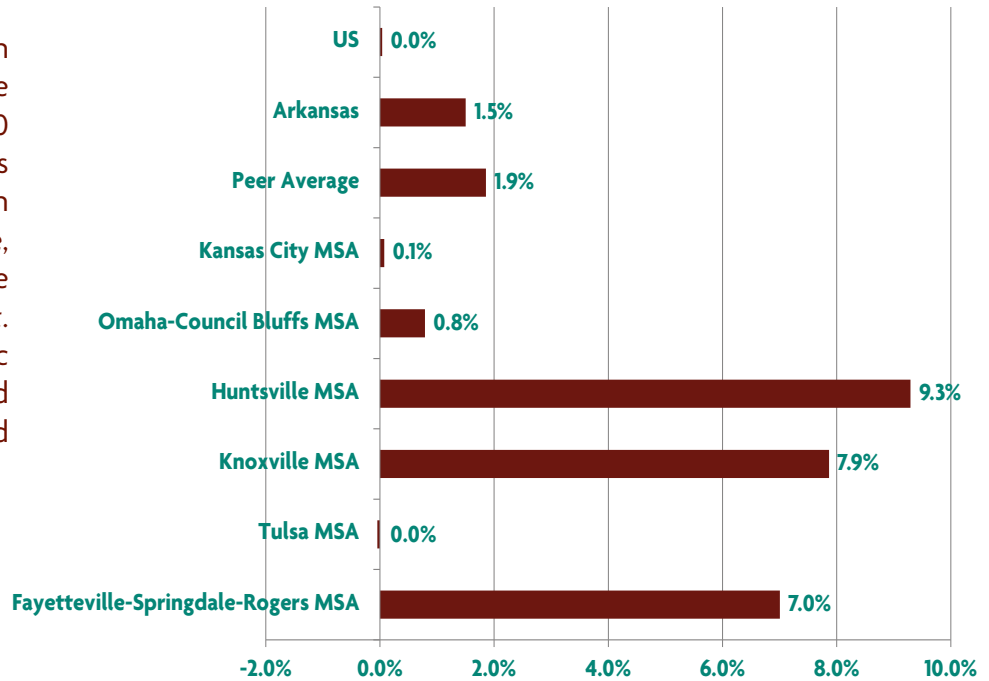


Metropolitan GDP

From 2007 to 2011, the real metropolitan gross domestic product (GDP) in the Northwest Arkansas region grew 7.0 percent. The region's growth rate was slower than competitor regions such as Huntsville, Alabama and Knoxville, Tennessee but significantly faster than the peer average growth rate of 1.9 percent. The growth rate of the region's economic output was strong between 2009 and 2010, increasing 7.3 percent, but remained unchanged between 2010 and 2011.

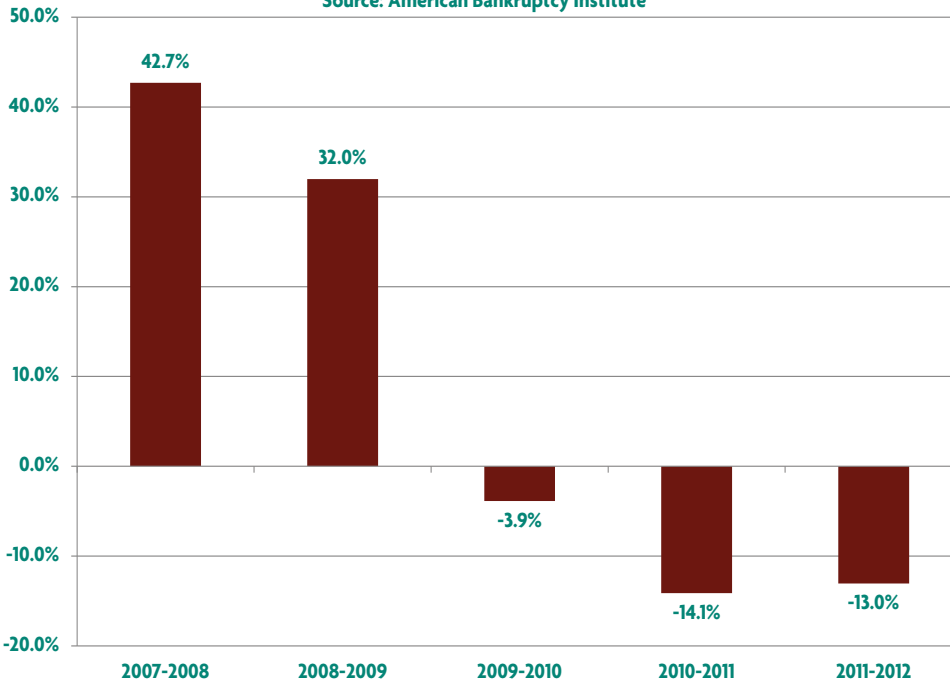
2007-2011 Change in Real GDP

Source: U.S. Bureau of Economic Analysis



Annual Change in Number of Bankruptcies in the Northwest Arkansas Region

Source: American Bankruptcy Institute



Bankruptcies

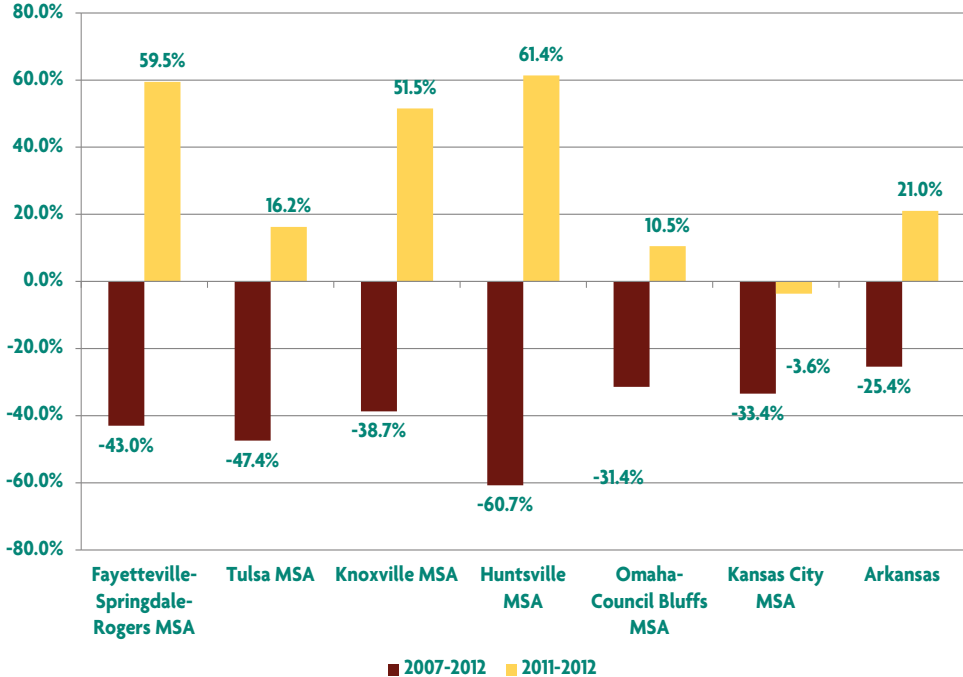
The rate and occurrence of bankruptcies provide a good indicator of the general health of the economy of a region. As the recession began, the number of bankruptcies filed in Fayetteville in the Western District Bankruptcy Court of Arkansas rose by 42.7 percent in 2008 and 32.0 percent in 2009. As the economic situation in Northwest Arkansas improved, the number of bankruptcies declined 3.9 percent in 2010, 14.1 percent in 2011 and a further 13.0 percent in 2012. The percent of statewide filings made in Fayetteville rose from 11.8 percent in 2007 to 15.9 percent in 2009 and then decreased to 14.9 percent in 2011 and 2012.

Building Permits

The number of building permits issued shows the relative strength of a region's economy, as boom times are marked by increased demands for new construction and, subsequently, a greater number of building permits. Since the real estate crash and recession of 2007 to 2009, the number of building permits issued in Northwest Arkansas declined 43.0 percent between 2007 and 2012. The most recent data between 2011 and 2012 show that new building permits in Northwest Arkansas are increasing again at 59.5 percent on a year-over-year basis. The growth rate between 2011 and 2012 was second only to the Huntsville MSA among peer regions.

Average Annual Building Permit Growth Rate

Source: U.S. Census Bureau



THE KNOWLEDGE-BASED ECONOMY

Effective economic development efforts in today's globalized economy place a premium on the development of local, regional and national knowledge based economies. Knowledge enhances the traditional factors of economic production like land, labor and capital to be more productive through new processes and products. Advancements in the knowledge creation are also sustained by strategic collaboration between key actors in research, business, education, and public policy making. The State of the Northwest Arkansas Region Report examines the following metrics to determine how well the region is positioning itself for the future: academic research and development, small business innovation research, small business technology transfer funds, and adult educational attainment.

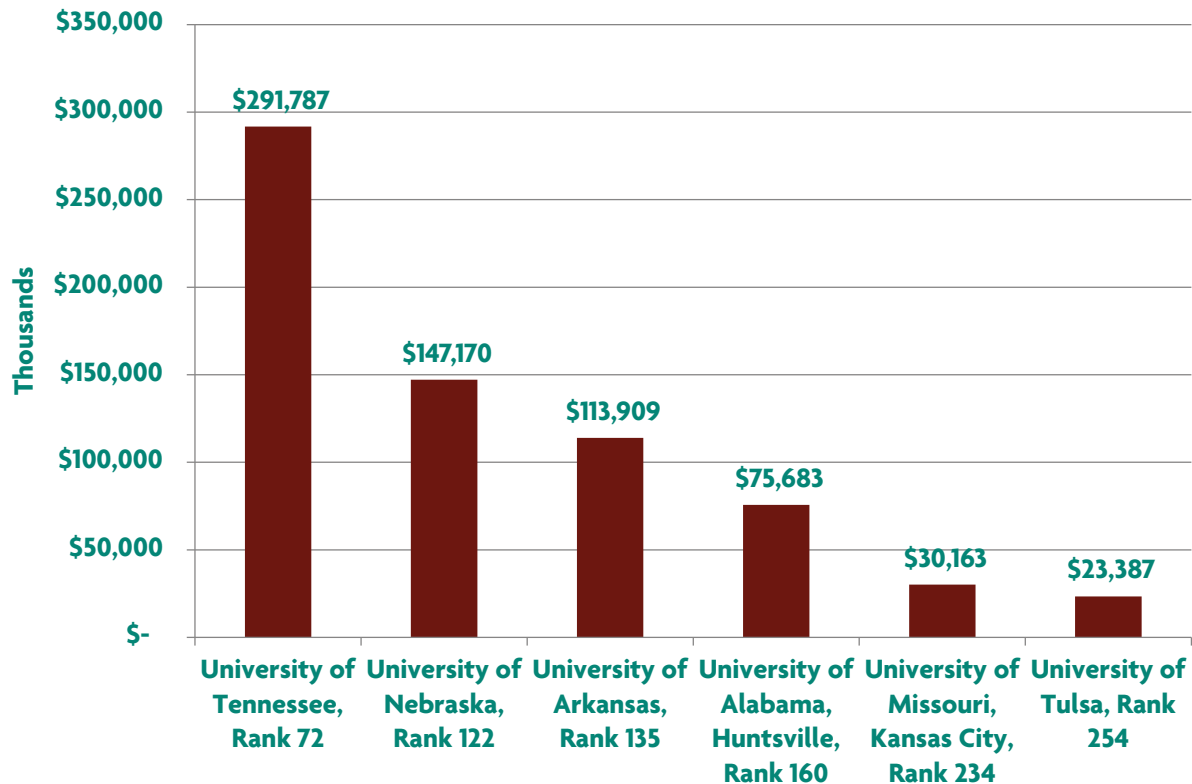


Academic Research and Development

Research expenditures at the University of Arkansas increased 12.7 percent from 2007 to 2010. Nearly \$114 million of research and development expenditures were made by the University of Arkansas in 2010, up 8.0 percent from the previous year. The university ranked 135th in expenditures among research universities in 2010, a drop from the 128th rank in 2009. Higher federal funding represents recognition of the value of university-performed activities at the federal level and shows the actual capacity of the state's academic institutions to perform research at a competitive level.

At the University of Arkansas, the advancement of intellectual property is supported by two entities: The University of Arkansas System-Division of Agriculture Technology Commercialization Office (TCO) and Technology Ventures for the University of Arkansas-Fayetteville. Both offices assist faculty and research scientists to identify, protect, and commercialize intellectual property developed from their research or other university supported activities. The TCO and TechVentures also engage inventors, faculty start-up/spin-out companies, and businesses in transferring inventions into the marketplace. The staff of both entities facilitate the granting of patents and licenses to university faculty and research scientists. From 1987 through August 2013, the University of Arkansas System-Division of Agriculture and the University of Arkansas-Fayetteville received 717 invention disclosures. Forty-five of these disclosures were received in fiscal year 2013 - the highest number of disclosures processed in any fiscal year. In addition, since 1987, 200 US patents issued from 643 US patent applications, selected from these disclosures. In fiscal year 2012, \$484,164 in royalties were distributed to inventors living in Arkansas and \$1,146,246 in revenues resulting from licensing or options for inventions were collected.

R&D Expenditures 2010
Source: National Science Foundation



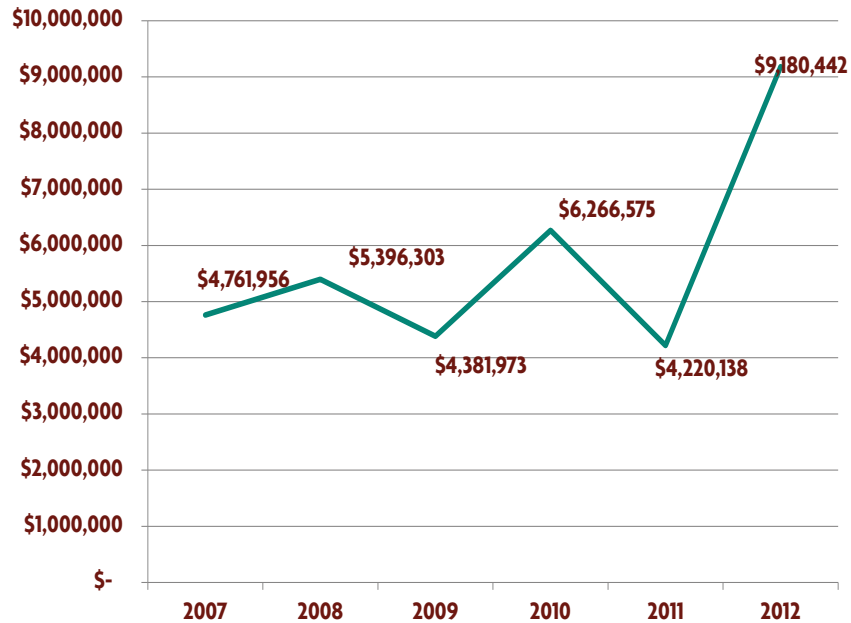
Small Business Innovation Research and Small Business Technology Transfer Grants

The Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) grants provide federal recognition of the region's industrial innovative capabilities. These grants encourage small businesses to engage in research and development processes and thereby promote knowledge-based economic development. The Northwest Arkansas region averaged nearly 21 grants a year and a total grant amount of \$34,207,387 between 2007 and 2012.



Northwest Arkansas SBIR/STTR Total Amount Awarded

Source: Arkansas Small Business and Technology Development Center

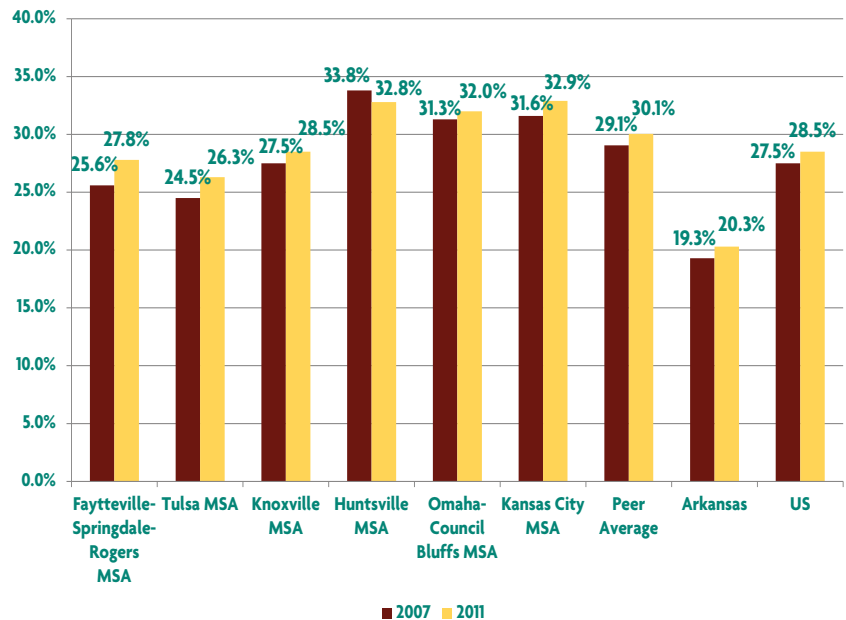


Adult Educational Attainment

Nearly 28 percent of adults in Northwest Arkansas have attained a bachelor's degree or higher, a significant improvement from previous years. However, the adult educational attainment in the region continues to rank second to last among competitor regions. On average, 30.1 percent of the adult population of the peer regions had at least a bachelor's degree. The Northwest Arkansas region's educational attainment remained ahead of the state's 20.3 percent. Between 2007 and 2011, the number of adults age 25 or over in Northwest Arkansas with a bachelor's degree or higher climbed from 25.6 percent in 2007 to 27.8 percent in 2011.

Bachelor's Degree or Higher in Adult Population

Source: U.S. Census Bureau



GREAT FOR LIFE: Quality of Life in Northwest Arkansas

Northwest Arkansas offers amenities that rival many of the major metropolitan areas between the two coasts, including world-class museums, expansive and diverse shopping, a minor league baseball team, a world-class performance theatre, and a nationally competitive college football team. The attractive quality of life of the Northwest Arkansas region is both a result of the fruits of economic development in the region and smart investments in the community vitality of the region. On-going efforts by key community partners ensures that Northwest Arkansas maintains its preeminence in amenities offered. In this section of the report, we examine various quality of life indicators such as cost of living, crime, poverty, commuting time, modes of transportation, and health.

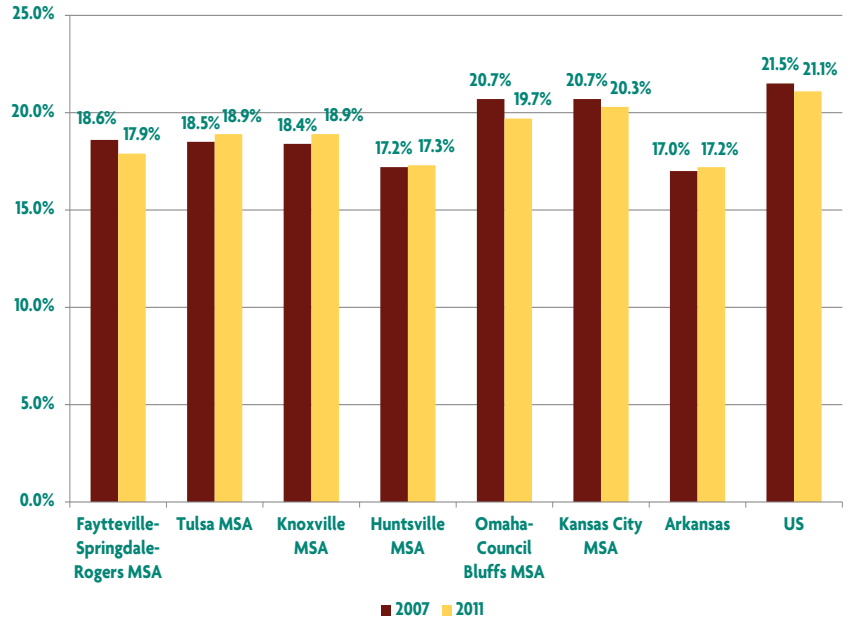


Cost of Homeownership

The measure of homeownership costs as a percentage of monthly household income provides an excellent tool for comparing housing affordability. In 2007, homeownership costs accounted for 18.6 percent of household income in Northwest Arkansas, rising to 18.9 percent in 2008 before dropping to 17.9 percent in 2011. Home ownership costs in Northwest Arkansas are in the middle of the pack when compared to costs in peer regions.

Median Cost of Homeownership as Percent of Income

Source: U.S. Census Bureau



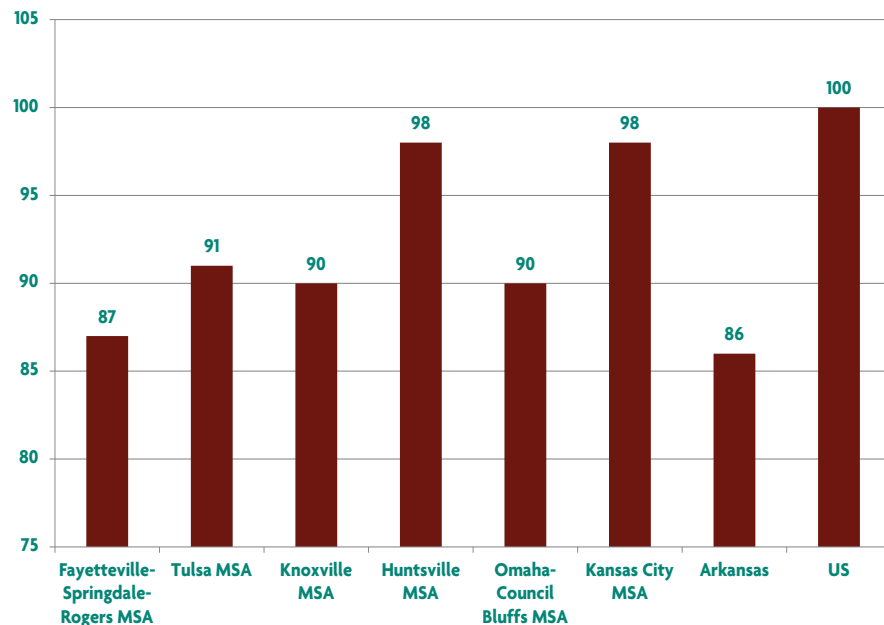


Cost of Living

The Sperling cost of living index is calculated based on the spending categories of housing costs, food and groceries costs, transportation costs, healthcare costs and other costs such as clothing, and entertainment. Based on these factors, the Northwest Arkansas cost of living index is 87, which is compared against the national average of 100. The Northwest Arkansas index was better when compared to peer regions.

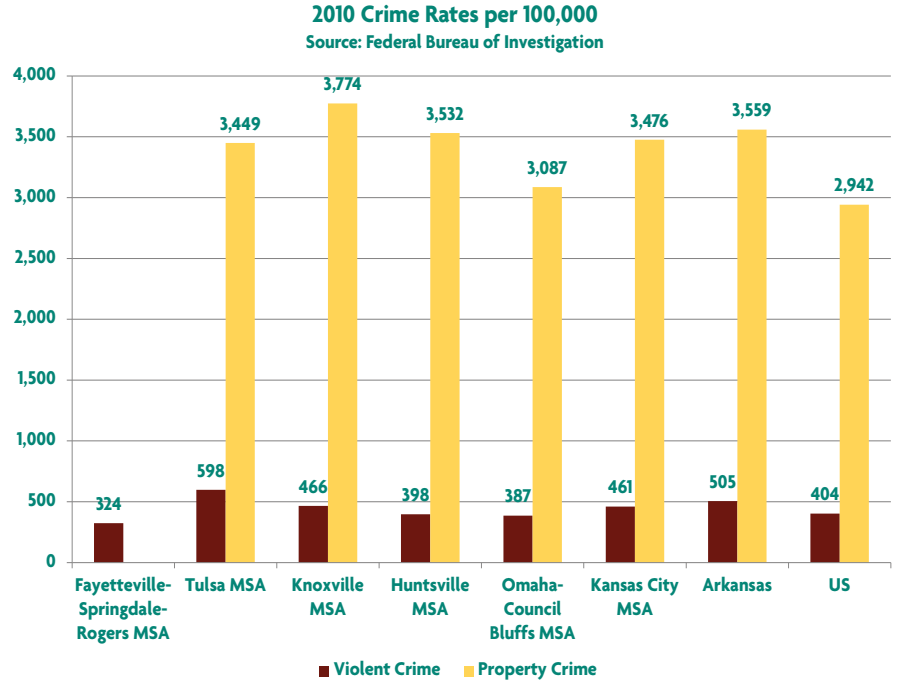
2013 Cost of Living Index

Source: Sperling's Best Places



Crime Indicators

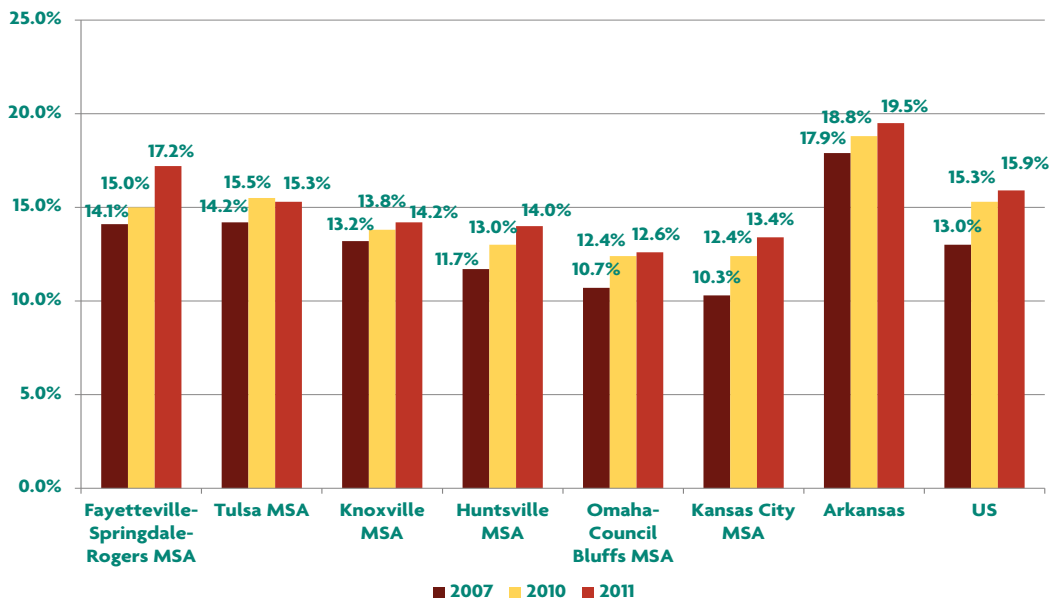
According to data gathered by the Federal Bureau of Investigation, violent crime rates per 1,000 persons were lower in Northwest Arkansas than any of the peer regions, the state, or nation. In 2010, Northwest Arkansas had 324 violent crimes per 100,000 inhabitants. Property crimes data were unavailable for the Northwest Arkansas region in 2010. Violent crimes were 29.8 percent lower than the peer average.



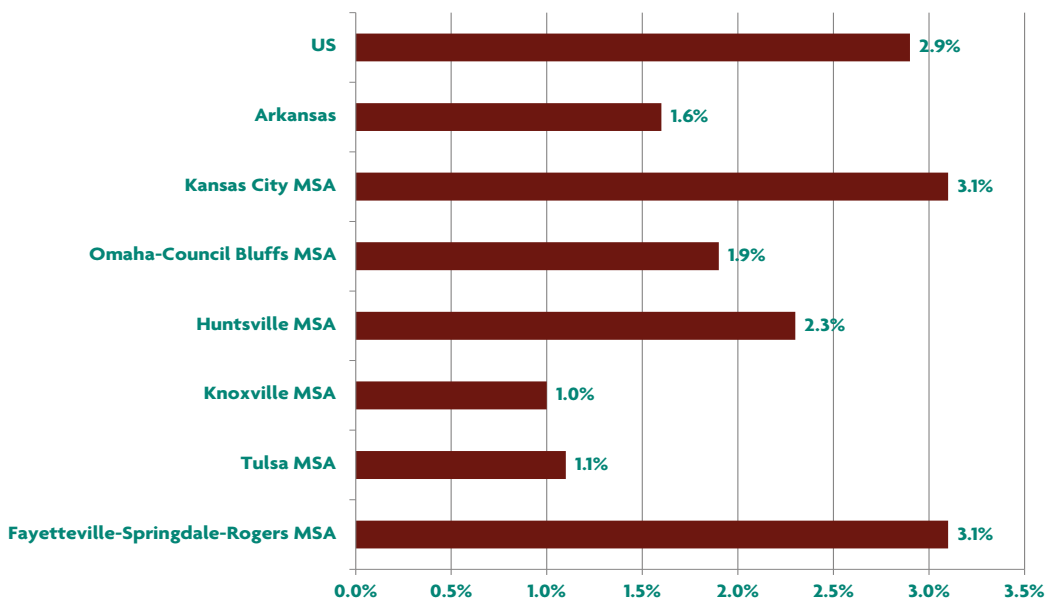
Poverty Indicators

The poverty rate in Northwest Arkansas was 17.2 percent in 2011. This rate increased 2.2 percent from 2010 and was 3.1 percent higher than the rate in 2007. The Northwest Arkansas poverty rate in 2011 was the highest among peer regions. The change in the Northwest Arkansas poverty rate from 2007 to 2011 was also tied with Kansas City as the highest among the peers. The 2011 poverty rate in Northwest Arkansas was lower than the rate for the state of Arkansas but higher than the national rate of 15.3 percent.

Poverty Rates: All Ages
Source: U.S. Census Bureau



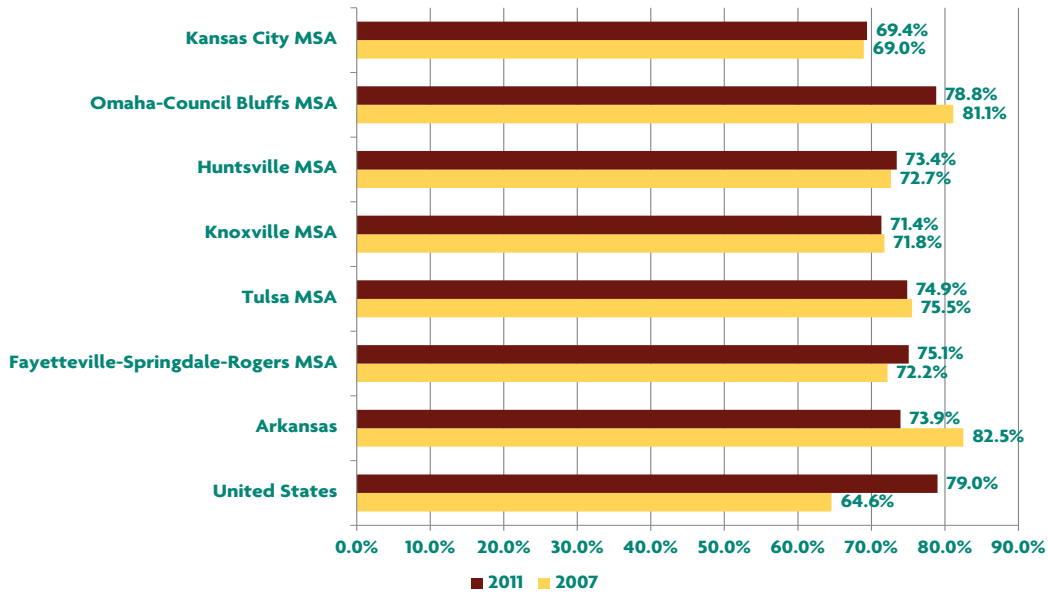
Poverty Rate: All Ages Percent Increase from 2007 to 2011
Source: U.S. Census Bureau



Commuting Statistics

According to data from 2011, 75.1 percent of workers spent 30 minutes or less commuting to work in the Northwest Arkansas region, slightly more than the 72.2 percent in 2007. Workers who commuted fewer than 30 minutes in the peer regions ranged from 69.4 percent in the Kansas City MSA to 78.8 percent in the Omaha MSA.

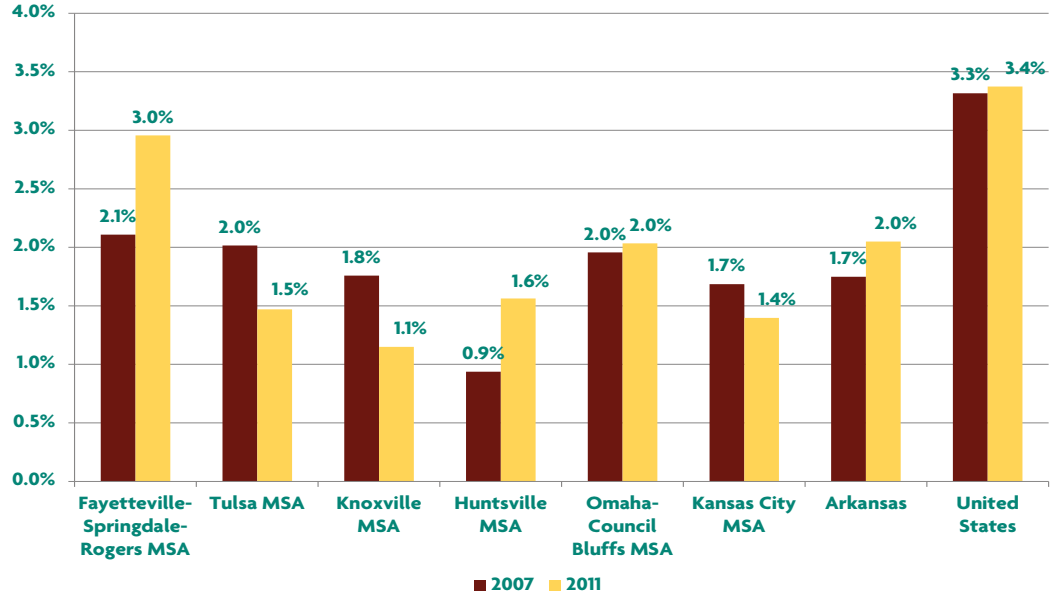
Commuting: Percent of Workers Traveling Fewer than 30 Minutes
Source: U.S. Census Bureau



In 2011, the percentage of the working population that biked or walked to work was 3.0 percent, a figure that was higher than every peer region and the state, but lower than the 3.4 percent rate for the nation as a whole. In 2007, 2.1 percent biked or walked to work while in 2010, 2.7 percent biked or walked to work in Northwest Arkansas. A total of 0.5 percent of workers in Northwest Arkansas used public transit to get to work in 2011, a decrease from 0.7 percent in 2010. The percent of workers who used public transportation to get to work in Northwest Arkansas was in the middle of the pack when compared to peers.

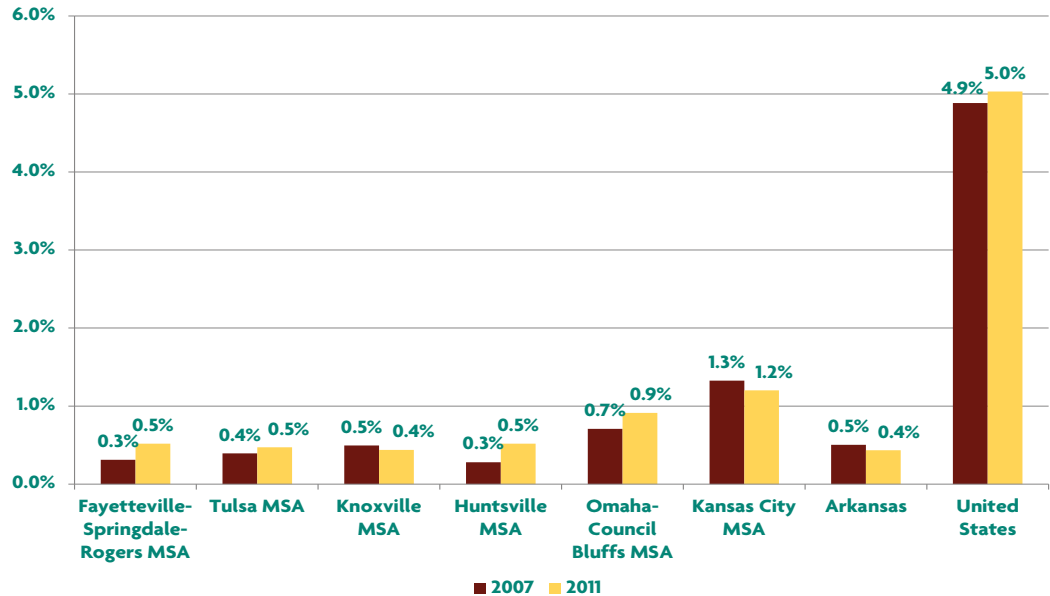
Commuting: Percent Bike or Walk to Work

Source: U.S. Census Bureau



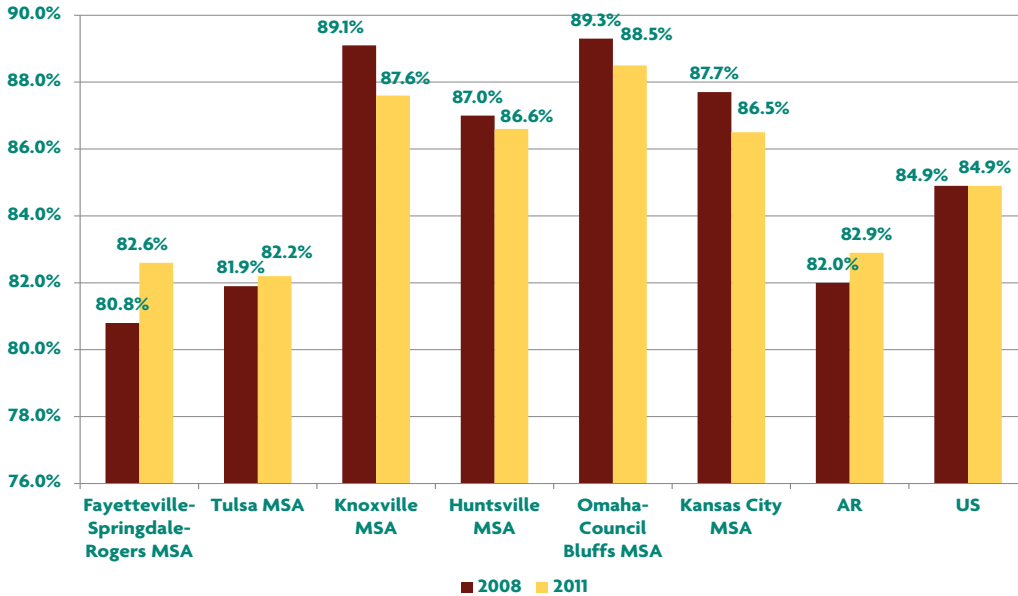
Commuting: Use of Public Transit

Source: U.S. Census Bureau



Health Insurance Coverage

Health Insurance Coverage 2008-2011
Source: U.S. Census Bureau



In 2011, 82.6 percent of the residents of Northwest Arkansas had health insurance coverage. This percentage was lower than the health insurance coverage rate in other peer regions with the exception of Tulsa. Health insurance coverage data from the Census Bureau are only available from 2008 and the Northwest Arkansas coverage rate increased 1.8 percent during that time. The 2011 coverage rate in Northwest Arkansas was lower than the statewide rate at 82.9 percent and the national rate at 84.6 percent.

Healthy Lifestyles



Compared to the rest of the state of Arkansas, the two major counties in the Northwest Arkansas region (Benton and Washington) have better health trends in some categories such as lower adult smoking and lower rate of adult obesity. A total of 18.0 percent of adults in Benton County and 20.0 percent of adults in Washington County smoke, compared to 23.0 percent statewide. Adult obesity is at 28.0 percent in Benton County and 30.0 percent in Washington County, while statewide the obesity rate is 32.0 percent. The rate of excessive drinking is higher in Washington County (15.0 percent) than the state (13.0 percent), likely due to the presence of the public university student community. 8.0 percent of the low-income population statewide has limited access to grocery stores, compared to 6.0 percent in Benton County and 7.0 percent in Washington County.

Information for this report was gathered from the following sources: American Bankruptcy Institute, Arkansas Small Business and Technology Development Center, County Health Rankings, Federal Bureau of Investigation, National Science Foundation, Sperling's Best Places, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, and U.S. Census Bureau.

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For questions about this report, contact:

Kathy Deck
Director, CBER
kdeck@walton.uark.edu

Mervin Jebaraj
Research Assistant
mjebaraj@walton.uark.edu

University of Arkansas
Sam M. Walton College of Business
Center for Business & Economic Research
Willard J. Walker Hall 538
1 University of Arkansas
Fayetteville, AR 72701-1201
(479) 575-4151