

Economic Analysis of the Ohio University Innovation Center

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Executive Summary

The purpose of this report is to identify the number of jobs, annual wages and economic output directly associated with businesses incubated by the Ohio University Innovation Center and to estimate the indirect and induced effects of these businesses on the Athens County economy.

This report takes data provided by the Innovation Center including number of full and part-time employees, annual wages, and the North American Industrial Classification System (NAICS) code for each Incubator business.

The estimated total effect of all businesses incubated by the Ohio University Innovation Center on Athens County's economy in 2021 is 249 jobs, over \$18 million in annual wages/compensation, and \$49.7 million in economic output. It should be noted that these effects will be repeated for each year in which these jobs exist.

Introduction

This report presents an assessment of the calculated effect of the Ohio University’s Innovation Center on the economy of Athens County in 2021. It identifies the number of jobs, annual wages and economic outputs associated with businesses the Innovation Center incubated and the total effect on the local economy from these businesses.

All businesses have “direct,” “indirect” and “induced” effects on the economy:

- **Direct:** the actual number of jobs, income and output created in the local economy from incubating businesses.
- **Indirect:** the jobs, income and output of businesses that account for supplying goods and services to incubating businesses within the local economy.
- **Induced:** the jobs, income and output generated in the local economy as a result of incubating businesses’ employees working and living in the county.

This study estimates the direct, indirect and induced employment, annual wages and economic output of the Innovation Center businesses on the Athens County economy.

Each business is categorized into one of five general industry sectors. The categories are as follows:

Government
Service
Manufacturing
Information Technology
TIPU

	NAICS	Industry Sector	Employment				Sales/Output				Compensation			
			Direct	Indirect	Induced	Total	Direct	Indirect	Induced	Total	Direct	Indirect	Induced	Total
Industry One	926110	Government	1	0	0	1	\$132,809.00	\$13,006.00	\$36,927.00	\$182,742.00	\$24,492.00	\$4,402.00	\$12,832.00	\$41,727.00
Industry Two	333415	Manufacturing	1	0	0	1	\$298,662.00	\$48,563.00	\$31,800.00	\$379,024.00	\$45,810.00	\$9,054.00	\$11,051.00	\$65,914.00
Industry Three	446110	Manufacturing	1	0	0	1	\$89,639.00	\$11,292.00	\$15,655.00	\$116,586.00	\$39,330.00	\$3,384.00	\$5,440.00	\$48,155.00
Industry Four	926110	Service	3	0	1	3	\$332,024.00	\$32,515.00	\$92,317.00	\$456,856.00	\$61,229.00	\$11,006.00	\$32,081.00	\$104,316.00
Industry Five	334516	Manufacturing	3	1	1	5	\$842,175.00	\$132,841.00	\$169,050.00	\$1,144,066.00	\$251,847.00	\$50,612.00	\$59,205.00	\$361,664.00
Industry Six	339112	Manufacturing	3	1	1	5	\$789,407.00	\$171,382.00	\$194,674.00	\$1,155,463.00	\$297,061.00	\$64,681.00	\$68,179.00	\$429,920.00
Industry Seven	339112	Manufacturing	2	1	1	3	\$526,271.00	\$114,255.00	\$129,783.00	\$770,309.00	\$198,040.00	\$43,121.00	\$45,452.00	\$286,613.00
Industry Eight	813910	Service	3	0	1	4	\$318,295.00	\$13,474.00	\$121,623.00	\$453,392.00	\$284,445.00	\$4,282.00	\$42,265.00	\$330,995.00
Industry Nine	333415	Manufacturing	1	0	0	1	\$296,662.00	\$48,563.00	\$31,800.00	\$379,024.00	\$45,810.00	\$9,054.00	\$11,051.00	\$65,914.00
Industry Ten	926110	Service	4	0	1	6	\$531,238.00	\$52,025.00	\$147,707.00	\$730,970.00	\$97,967.00	\$17,609.00	\$51,330.00	\$166,906.00
Industry Eleven	325414	Manufacturing	17	5	4	26	\$6,834,474.00	\$993,483.00	\$649,816.00	\$8,477,773.00	\$1,662,396.00	\$379,799.00	\$227,578.00	\$2,269,773.00
Industry Twelve	423850	Manufacturing	1	0	0	2	\$242,110.00	\$35,681.00	\$52,988.00	\$330,779.00	\$65,189.00	\$13,475.00	\$18,557.00	\$97,222.00
Industry Thirteen	541110	Service	1	0	0	1	\$168,152.00	\$25,779.00	\$36,825.00	\$230,756.00	\$76,606.00	\$7,851.00	\$12,797.00	\$97,255.00
Industry Fourteen	325413	Manufacturing	7	1	2	10	\$2,494,425.00	\$146,612.00	\$237,383.00	\$2,878,419.00	\$597,776.00	\$52,765.00	\$82,493.00	\$733,034.00
Industry Fifteen	332439	Manufacturing	21	8	11	40	\$6,973,290.00	\$1,426,240.00	\$1,635,278.00	\$10,034,809.00	\$2,853,885.00	\$533,813.00	\$572,706.00	\$3,960,404.00
Industry Sixteen	325412	Manufacturing	1	1	0	2	\$367,607.00	\$78,056.00	\$46,790.00	\$492,453.00	\$110,254.00	\$31,212.00	\$16,260.00	\$157,726.00
Industry Seventeen	446110	Manufacturing	55	4	7	66	\$4,930,132.00	\$621,082.00	\$861,032.00	\$6,412,247.00	\$2,163,177.00	\$186,133.00	\$299,218.00	\$2,648,528.00
Industry Eighteen	51821	Information Technology	0	0	0	0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Industry Nineteen	813312	Service	4	0	1	5	\$252,110.00	\$49,079.00	\$81,100.00	\$382,289.00	\$173,826.00	\$17,560.00	\$28,183.00	\$219,569.00
Industry Twenty	325414	Manufacturing	1	0	0	2	\$402,028.00	\$58,440.00	\$38,224.00	\$498,693.00	\$97,788.00	\$22,341.00	\$13,387.00	\$133,516.00
Industry Twenty-One	511210	Information Technology	5	1	2	9	\$1,333,361.00	\$197,849.00	\$266,127.00	\$1,797,338.00	\$619,562.00	\$77,542.00	\$92,482.00	\$789,586.00
Industry Twenty-Two	334413	Manufacturing	39	5	14	56	\$9,471,271.00	\$814,438.00	\$2,120,290.00	\$12,405,999.00	\$5,047,302.00	\$318,045.00	\$742,566.00	\$6,107,913.00
Totals			174	28	46	249	\$37,626,142.00	\$5,084,655.00	\$6,997,189.00	\$49,709,987.00	\$14,813,729.00	\$1,857,741.00	\$2,445,113.00	\$19,116,650.00

Source: JobsEQ®

Data as of 2021Q4

Note: Figures may not sum due to rounding.

- The estimated total effect of all businesses incubated by the Ohio University Innovation Center on Athens County's economy in 2021 is 249 jobs, over \$18 million in annual wages/compensation, and \$49.7 million in economic output. It should be noted that these effects will be repeated for each year in which these jobs exist.
- These businesses directly created an estimated 174 jobs.
- Businesses that supplied goods and services to Innovation Center businesses supported an estimated 16 jobs in Athens County.
- The induced effects of Innovation Center businesses' employees spending part of their wages at businesses in Athens County supported an estimated 46 additional jobs and generated nearly \$7 million in economic output in Athens County.
- Employment directly from within Innovation Center businesses generated \$14.8 million in annual wages/compensation. Athens County businesses that supplied goods and services to Innovation Center businesses generated \$718,565 in wages/compensation.
- Induced effects of Innovation Center businesses' employees spending part of their wages within Athens County generated over \$2.4 million in compensation and \$7 million in economic output.



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