

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 2022 is 157.5 direct jobs, over \$9.2 million in annual wages, \$26.4 million in compensation, and \$66.6 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 2022. 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 four general industry sectors. The categories are as follows:

Government
Service
Manufacturing
Information Technology

OUIC 2022 Economic Impact Report		2022							2022			2022		
Industry	NAICS	Total Wages/Salary	Employment	Contract 1099	Total Income CY	Indirect Jobs	Induced Jobs	Compensation	Indirect	Induced	Sales/Output	Indirect	Induced	
Workforce Development	926110	\$ 74,500.00	1	0	N/A	0	1	\$137,098	\$33,905	\$94,588	\$256,661	\$103,695	\$290,884	
Biopharm	456110	\$ 70,545.40	2	0	\$ 175,730.80	1	1	\$131,956	\$49,581	\$57,010	\$282,988	\$170,246	\$175,321	
Economic Development	926110	\$ 172,000.00	2.5	0	N/A	1	3	\$342,745	\$84,763	\$236,470	\$641,653	\$259,237	\$727,210	
Analytical Laboratory Instrument Manufacturing	339112	\$ 260,000.00	2.5	0	\$ 362,640.00	1	3	\$354,205	\$99,135	\$236,470	\$871,266	\$290,802	\$727,209	
Medical Device	339112	\$ 20,000.00	1	0	\$ 10,000.00	0	1	\$141,682	\$39,654	\$94,588	\$348,506	\$116,321	\$290,883	
Business Association	813910	\$ 151,750.00	3.5	0	N/A	1	3	\$518,711	\$61,142	\$232,779	\$518,711	\$159,459	\$715,860	
Economic Development	926110	\$ 147,800.00	2	0	N/A	1	2	\$274,196	\$67,811	\$189,176	\$513,322	\$207,390	\$581,768	
Scientific Research/Development Services	5417	\$ 39,520.00	2	0	\$ 225,000.00	1	3	\$394,499	\$94,126	\$224,651	\$613,300	\$235,465	\$690,863	
Biotechnology	325414	\$ 1,306,287.39	16	0	\$ 1,538,508.25	5	16	\$2,667,013	\$698,001	\$1,313,458	\$10,651,135	\$2,291,616	\$4,039,243	
Legal	541110	\$ 237,900.00	1	0	N/A	0	1	\$147,738	\$27,284	\$82,887	\$291,345	\$78,326	\$254,900	
Biopharm	325413	\$ 509,064.00	6	0	\$ 494,591.24	4	11	\$1,006,654	\$484,492	\$903,899	\$4,118,534	\$1,486,541	\$2,779,738	
Truck Trailer Manufacturing	336212	\$ 1,060,520.00	24	0	\$ 1,460,557.80	12	22	\$1,395,568	\$1,149,074	\$1,834,480	\$7,008,772	\$4,696,629	\$5,641,529	
Drug Development	325412	\$ 93,177.00	1	0	\$ 93,177.00	0	1	\$190,104	\$52,093	\$116,234	\$602,013	\$155,483	\$357,451	
Drug Development	325412	\$ 1,200,000.00	27	0	\$ 126,964.00	6	11	\$5,132,808	\$1,406,511	\$3,138,312	\$16,254,346	\$4,198,038	\$9,651,171	
Marketing	5418	\$ 1,170,000.00	13	0	N/A	5	13	\$1,567,191	\$490,160	\$1,044,322	\$4,269,415	\$1,437,865	\$3,211,576	
Energy Conservation	813312	\$ 235,000.00	4	0	N/A	1	3	\$407,989	\$111,157	\$208,820	\$502,142	\$244,843	\$642,179	
Biotechnology	325414	\$ 66,000.00	1	0	\$ 227,238.88	0	1	\$166,688	\$43,625	\$82,091	\$665,696	\$143,226	\$252,453	
Application Development	541511	\$ 182,874.96	6	0	\$ 267,511.82	1	9	\$1,122,257	\$85,557	\$2,178,489	\$1,548,675	\$196,880	\$2,178,489	
Energy	334413	\$ 2,215,852.00	42	0	\$ 8,631,479.20	6	61	\$10,329,636	\$679,724	\$5,053,405	\$16,676,547	\$1,635,775	\$15,540,607	
TOTALS		\$ 9,212,790.75	157.5	0	\$ 13,437,668.19	46	166	\$26,428,738	\$5,757,795	\$17,322,129	\$66,635,027	\$18,107,837	\$48,749,334	

Source: JobsEQ®

Data as of 2022Q4

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 369.5 jobs, over \$9.2 million in annual wages, \$49.5 in compensation, and nearly \$44.46 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 157.5 jobs.
- Businesses that supplied goods and services to Innovation Center businesses supported an estimated 150.5 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 166 additional jobs and generated over \$48.7 million in economic output in Athens County.
- Employment directly from within Innovation Center businesses generated \$9.2 million in annual wages. Athens County businesses that supplied goods and services to Innovation Center businesses generated \$9.1 million in wages and \$26.2 million in compensation.
- Indirect effects of Innovation Center businesses' employees spending part of their wages within Athens County generated \$18.1 million in economic output.



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