

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 2023 is 122 direct jobs, over \$7.4 million in annual wages, \$26 million in compensation, and \$80.7 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 2023. 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 three general industry sectors. The categories are as follows:

| |
|---------------|
| Service |
| Manufacturing |
| Technology |

| | 2023 | | | 2023 | | | 2023 | | | 2023 | | |
|--------------------|-------------|---------------|------------------|---------------|--------------|--------------|--------------|-------------|--------------|--------------|--------------|--|
| | Employment | | | Compensation | | | Sales/Output | | | | | |
| Total Wages/Salary | Direct Jobs | Contract 1099 | Total Income CY | Indirect Jobs | Induced Jobs | Direct | Indirect | Induced | Direct | Indirect | Induced | |
| \$ 63,000.00 | 1 | 0 | N/A | 0 | 1 | \$145,494 | \$31,299 | \$87,669 | \$245,193 | \$99,067 | \$277,886 | |
| \$ 71,031.00 | 2 | 0 | \$ 152,132.27 | 1 | 1 | \$126,181 | \$52,725 | \$60,247 | \$308,239 | \$184,763 | \$190,964 | |
| \$ 157,006.00 | 3 | 0 | N/A | 1 | 3 | \$436,481 | \$93,896 | \$263,008 | \$735,578 | \$297,202 | \$833,659 | |
| \$ 95,000.00 | 2 | 0 | \$ 259,300.00 | 1 | 2 | \$286,847 | \$82,260 | \$198,203 | \$752,700 | \$251,293 | \$628,247 | |
| \$ 141,990.00 | 4 | 0 | N/A | 1 | 3 | \$624,645 | \$71,694 | \$271,967 | \$624,645 | \$192,131 | \$862,056 | |
| \$ 550,000.00 | 3 | 0 | \$ 1,500,000.00 | 1 | 1 | \$189,272 | \$79,088 | \$90,370 | \$462,359 | \$277,144 | \$286,447 | |
| \$ 300,000.00 | 4 | 0 | \$ 436,000.00 | 2 | 6 | \$768,757 | \$221,252 | \$494,317 | \$2,638,854 | \$688,836 | \$1,566,844 | |
| \$ 1,500.00 | 1 | 0 | \$ 2,500.00 | 0 | 1 | \$180,336 | \$15,203 | \$125,396 | \$282,560 | \$36,001 | \$397,471 | |
| \$ 153,900.00 | 2 | 0 | N/A | 1 | 2 | \$290,987 | \$62,597 | \$175,338 | \$490,386 | \$198,134 | \$555,773 | |
| \$ 465,000.00 | 4 | 1 | \$ 1,614,701.00 | 2 | 5 | \$797,182 | \$198,719 | \$473,928 | \$1,333,563 | \$512,790 | \$1,502,217 | |
| \$ 1,368,211.00 | 14 | 0 | \$ 1,959,612.00 | 5 | 14 | \$2,324,298 | \$637,501 | \$1,212,276 | \$10,132,524 | \$2,217,369 | \$3,842,570 | |
| \$ 186,575.00 | 1 | 0 | N/A | 0 | 1 | \$154,810 | \$28,414 | \$86,178 | \$312,214 | \$83,835 | \$273,158 | |
| \$ 165,000.00 | 2 | 0 | \$ 1,120,006.00 | 1 | 2 | \$286,847 | \$82,260 | \$198,203 | \$752,700 | \$251,293 | \$628,247 | |
| \$ 50,000.00 | 1 | 0 | \$ 50,000.00 | 0 | 1 | \$180,336 | \$15,203 | \$125,396 | \$282,560 | \$36,001 | \$397,471 | |
| \$ 489,228.00 | 5 | 0 | \$ 865,932.00 | 1 | 2 | \$315,453 | \$131,813 | \$150,616 | \$770,598 | \$461,906 | \$477,411 | |
| \$ 1,105,689.00 | 29 | 0 | \$ 4,043,057.00 | 15 | 27 | \$1,847,712 | \$1,475,507 | \$2,370,810 | \$9,336,028 | \$6,251,672 | \$7,514,793 | |
| \$ 70,000.00 | 1 | 0 | \$ 725,000.00 | 0 | 1 | \$143,424 | \$41,130 | \$99,101 | \$376,350 | \$125,647 | \$314,123 | |
| \$ 1,134,682.00 | 27 | 0 | \$ 1,662,816.00 | 8 | 9 | \$1,703,446 | \$711,792 | \$813,329 | \$4,161,229 | \$2,494,295 | \$2,578,021 | |
| \$ 635,000.00 | 9 | 0 | N/A | 3 | 6 | \$944,948 | \$259,521 | \$499,484 | \$1,237,974 | \$603,881 | \$1,583,221 | |
| \$ 34,111.00 | 1 | 0 | \$ 45,456.00 | 0 | 1 | \$166,021 | \$45,536 | \$86,591 | \$723,752 | \$158,384 | \$274,469 | |
| \$ 195,641.00 | 6 | 2 | \$ 275,422.30 | 1 | 9 | \$1,082,013 | \$91,216 | \$752,378 | \$1,695,359 | \$216,004 | \$2,384,826 | |
| \$ 7,432,564.00 | 122 | 3 | \$ 14,711,934.57 | 44 | 98 | \$12,995,490 | \$4,428,626 | \$8,634,805 | \$37,655,365 | \$15,637,648 | \$27,369,874 | |

Source: JobsEQ®
Data as of 2023Q4

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 2023 is 267 jobs, over \$7.4 million in annual wages, \$26 million in compensation, and over \$80.7 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 122 jobs and supported 44 indirect jobs and 98 induced jobs.
- Businesses that supplied services supported 24 jobs; businesses in manufacturing supported 90 jobs; and businesses in the Technology space supported 8 jobs.
- Employment directly from within Innovation Center businesses generated \$7.4 million in annual wages and sales output of over \$36.6 million.
- The induced effects of Innovation Center businesses' employees spending part of their wages at businesses in Athens County generated over \$27.3 million in economic output in Athens County.
- Indirect effects of Innovation Center businesses' employees spending part of their wages within Athens County generated \$15.6 million in economic output.



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