ACKNOWLEDGEMENTS

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CITY OF IRVING MAYOR AND CITY COUNCIL

Beth Van Duyne
Mayor (at-large)

Dennis Webb
Mayor Pro Tem, Place 3

Brad M. LaMorgese
Deputy Mayor Pro Tem, Place 6

John C. Danish
Place 1

Phil Riddle
Place 4

Kyle Taylor
Place 7

Allan E. Meagher
Place 2 (at-large)

Oscar Ward
Place 5

Wm. David Palmer
Place 8 (at-large)

CITY OF IRVING STAFF

Chris Hillman
City Manager

Scott Connell
Director of Economic Development

Michael Morrison
Deputy City Manager

Doug Janeway
Chief Development Officer

Ryan Adams
Assistant to the City Manager

Maura Gast, FCDME
Executive Director, Irving Convention & Visitors Bureau

IRVING PROJECT TEAM PARTNERS

Beth Bowman
President & CEO, Greater Irving-Las Colinas Chamber of Commerce

Don Williams
Vice President of Economic Development & Operations, Greater Irving-Las Colinas Chamber of Commerce

Joey Grisham
Director of Business Recruitment, Greater Irving-Las Colinas Chamber of Commerce

Joe Chapa
Executive Director, Irving Sister Cities / International Trade & Development Assistance Center, Greater Irving-Las Colinas Chamber of Commerce

TIP STRATEGIES CONSULTING TEAM

Jon Roberts
Managing Principal

John Karras
Senior Consultant
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**CITY OF IRVING, TX**

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APPENDIX E: TARGET INDUSTRY ANALYSIS

The selection of target industries is traditionally based on quantitative factors such as workforce, available industrial sites, and incentives. Our target industry recommendations for Irving are not based solely on these factors, but also take into account qualitative factors (such as conversations with local/regional business leaders and consulting experience gained from prior work in the Dallas-Fort Worth MSA) and strategic issues (including state and national economic trends and planned investments in regional infrastructure).

First, a quantitative analysis was conducted to help identify potential target industries. This analysis included the following:

- **Locational advantages.** We assessed Irving’s geographic advantages (its central location in the MSA and proximity to DFW International Airport) which can be leveraged for economic development.
- **Economic trends analysis.** We analyzed the trends affecting economic development in Irving, the Dallas-Fort Worth MSA, and Texas to provide a foundational understanding of the issues and opportunities facing business retention, expansion, and recruitment in Irving.
- **Commuting patterns.** We mapped Irving’s labor shed (where Irving workers live) and commute shed (where Irving’s employed residents work) using data from the U.S. Census Bureau’s LEHD (Longitudinal Employer Household Dynamics) database.
- **Industry analysis.** We calculated location quotients (LQs) to identify the industries in which Irving’s employment is most concentrated relative to the national average, which suggests a competitive advantage. An LQ is defined as a local industry’s share of total local employment divided by the same industry’s share of employment at the national level.
- **Workforce and occupational analysis.** We calculated LQs for occupational categories to identify competitive advantages in Irving’s workforce. We also analyzed other variables to better understand the community’s workforce including age structure, educational attainment, and wages by occupational group.

Second, a qualitative analysis was conducted through roundtable discussions and interviews with key stakeholders. During the course of the Discovery phase, we met with nearly 150 business and community leaders. This helped us better understand the opportunities for retention and expansion of existing companies and for attraction of new businesses. These stakeholder discussions and interviews also gave us insights into the barriers holding back the community’s economic potential. Perhaps most importantly, our conversations with these leaders (business executives in particular) provided us with an understanding of the regional competition for business expansion, real estate development and investment, and the attraction of skilled workers.

Lastly, we used a strategic lens to evaluate the potential of target sectors based on: 1) a review of relevant cluster initiatives already in progress locally, regionally, and at the state level; 2) an understanding of state, national, and global trends; and 3) the experience of the consulting team in evaluating target markets. This offers an opportunity to identify niches outside of traditional clusters, including emerging industries.
RECOMMENDED TARGET INDUSTRIES FOR IRVING

Based on the quantitative/qualitative/strategic targeting approach, we recommend that Irving organize its business retention, expansion, and recruitment activities around the following target industries:

- Corporate Headquarters
- Corporate Training
- Foreign-Based Corporations
- Software & Information Technology
- Telecommunications
- Finance & Insurance
- Health Care Specialties & Laboratories
- Professional Services
- Industrial Technology
- National Associations

The following section describes in more detail the quantitative analysis, qualitative analysis, and strategic considerations that led us to the ten target sectors listed above.

QUANTITATIVE ANALYSIS

As part of the Economic Assessment, our analysts reviewed industry trends (LQs, net job change, and earnings per worker) at the 4-digit NAICS level for Irving and the Dallas-Fort Worth MSA. This work identified a number of high-performing industries locally and regionally and is an important consideration impacting target industry recommendations.

Of the ten target industries, nine have one or more corresponding NAICS categories (foreign-based corporations do not). Our quantitative analysis identified the primary sectors within each target industry and compared the performance of these sectors in Irving and the Dallas-Fort Worth MSA. The figure on the following page shows the analysis of sectors within five industries and the figure on the following page shows the remaining four industries. In general, these sectors are performing well in the MSA. Also, most of them are performing even better (and are more highly concentrated) in Irving.

FIGURE 47: TARGET INDUSTRY CRITERIA

- **Location**: the area’s advantages should correspond to critical facility location factors
- **Growth**: growth must be anticipated in the sector and be likely in the region
- **Size**: must be large enough to merit a concentrated development effort
- **Image**: should be desirable in terms of land use, job quality, economic cycles, and long-term development linkages
- **Infrastructure**: infrastructure requirements should be compatible with the area’s capacity and resources
- **Multipliers**: growth in the sector should have positive spill-over effects in other sectors

Source: TIP Strategies
*Earnings per worker = Total annual earnings of an industry (wages, salaries, profits, benefits, and other compensation) divided by the number of jobs in the industry. It is intended to provide an indication of the industry’s impact and is not equivalent to wages paid to individual workers.
FIGURE 49. TARGET INDUSTRY PERFORMANCE IN IRVING & DALLAS-FORT WORTH MSA (CONTINUED)

<table>
<thead>
<tr>
<th>NAICS &amp; DESCRIPTION</th>
<th>2014 Location Quotient (LQ)</th>
<th>2014 Jobs</th>
<th>Change '10-'14</th>
<th>2014 Jobs</th>
<th>Change '10-'14</th>
<th>2014 Earnings Per Worker*</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Irving</td>
<td>DFW MSA</td>
<td>Irving</td>
<td>DFW MSA</td>
<td>Irving</td>
<td>DFW MSA</td>
</tr>
<tr>
<td>Industrial Technology</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2111 Oil &amp; Gas Extraction</td>
<td>1.64</td>
<td>3.12</td>
<td>498 +174 ▲</td>
<td>15,276</td>
<td>22,377 ▲</td>
<td>$324,855 $227,039</td>
</tr>
<tr>
<td>2131 Support Activities for Mining</td>
<td>0.44</td>
<td>1.59</td>
<td>279 +148 ▲</td>
<td>10,450</td>
<td>17,001 ▲</td>
<td>$105,117 $90,933</td>
</tr>
<tr>
<td>3119 Other Food Mfg.</td>
<td>3.63</td>
<td>0.84</td>
<td>935 +145 ▲</td>
<td>3,515</td>
<td>321 ▲</td>
<td>$88,903 $87,646</td>
</tr>
<tr>
<td>3121 Beverage Mfg.</td>
<td>3.10</td>
<td>0.94</td>
<td>847 +153 ▲</td>
<td>4,154</td>
<td>3156 ▲</td>
<td>$78,671 $86,894</td>
</tr>
<tr>
<td>3241 Petroleum &amp; Coal Products Mfg.</td>
<td>1.86</td>
<td>0.58</td>
<td>271 +1 ▲</td>
<td>1,523</td>
<td>16 ▲</td>
<td>$153,845 $151,112</td>
</tr>
<tr>
<td>3259 Other Chemical Product &amp; Preparation Mfg.</td>
<td>1.32</td>
<td>1.14</td>
<td>237 +37 ▲</td>
<td>2,262</td>
<td>230 ▲</td>
<td>$82,300 $87,459</td>
</tr>
<tr>
<td>3272 Glass &amp; Glass Product Mfg.</td>
<td>1.32</td>
<td>0.54</td>
<td>236 +119 ▲</td>
<td>1,270</td>
<td>218 ▲</td>
<td>$57,897 $58,120</td>
</tr>
<tr>
<td>3323 Architectural &amp; Structural Metals Mfg.</td>
<td>0.91</td>
<td>1.69</td>
<td>465 -42 ▼</td>
<td>13,918</td>
<td>922 ▲</td>
<td>$58,770 $58,982</td>
</tr>
<tr>
<td>8112 Electronic &amp; Precision Equipment Repair &amp; Maintenance</td>
<td>1.27</td>
<td>2.06</td>
<td>238 -12 ▼</td>
<td>6,711</td>
<td>1106 ▲</td>
<td>$81,223 $58,140</td>
</tr>
<tr>
<td>8113 Commercial &amp; Industrial Machinery &amp; equipment (except Automotive &amp; Electronic) Repair &amp; Maintenance</td>
<td>1.68</td>
<td>0.91</td>
<td>560 -72 ▼</td>
<td>4,919</td>
<td>6 ▲</td>
<td>$74,980 $61,094</td>
</tr>
<tr>
<td>National Associations</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8132 Grantmaking &amp; Giving Services</td>
<td>0.39</td>
<td>0.57</td>
<td>73 +16 ▲</td>
<td>1,741</td>
<td>237 ▲</td>
<td>$82,983 $74,550</td>
</tr>
<tr>
<td>8133 Social Advocacy Organizations</td>
<td>0.63</td>
<td>0.32</td>
<td>179 +38 ▲</td>
<td>1,487</td>
<td>115 ▲</td>
<td>$44,901 $40,620</td>
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<tr>
<td>8134 Civic &amp; Social Organizations</td>
<td>1.73</td>
<td>0.69</td>
<td>984 +36 ▲</td>
<td>6,325</td>
<td>137 ▲</td>
<td>$50,885 $59,549</td>
</tr>
<tr>
<td>8139 Business, Professional, Labor, Political, &amp; Similar Organizations</td>
<td>0.83</td>
<td>0.57</td>
<td>499 +87 ▲</td>
<td>5,524</td>
<td>538 ▲</td>
<td>$84,834 $64,115</td>
</tr>
</tbody>
</table>


*Earnings per worker = Total annual earnings of an industry (wages, salaries, profits, benefits, and other compensation) divided by the number of jobs in the industry. It is intended to provide an indication of the industry’s impact and is not equivalent to wages paid to individual workers.
QUALITATIVE ANALYSIS

The viewpoints of Irving’s business and community leaders heavily influenced the selection of target industries. To an equal degree, the perspective of business executives and other key decision makers (site location consultants, real estate brokers, and economic development professionals) from the rest of the Dallas-Fort Worth MSA impacts the potential for business retention, expansion, and recruitment in Irving. During the Discovery phase, we received candid feedback from dozens of stakeholders (mostly business executives) from Irving and the surrounding Metroplex. While some of the observations are well known, they bear repeating. The most important findings from this input, as they relate to target industries, are summarized below:

- DFW International Airport is the city’s strongest asset for economic development.
- Irving’s central location within the Metroplex (and the region’s central US location) is a significant advantage.
- Surprisingly, most large companies in Irving do not report difficulty in attracting and retaining quality workers.
- Companies are increasingly seeking walkable, mixed-use settings (with good transit access) for their corporate expansions and relocations.

STRATEGIC CONSIDERATIONS

Finally, it is important to consider regional and national trends and other strategic factors that impact Irving’s ability to grow target industries. These considerations are summarized below:

- Access to talent is the number one success factor for most companies. Irving’s central location within the Metroplex provides access to a large pool of talent, giving the city a significant advantage in the growth of businesses that require large numbers of highly skilled workers.
- Workforce diversity (racial/ethnic, age, cultural, gender, and other categories) is becoming more important to businesses generally, and large corporations especially. Irving is well-positioned to capitalize on this trend for two reasons: 1) several of Irving’s existing corporations are leaders in this space; and 2) Irving’s population is more diverse than any of its Metroplex competitor cities.
- DFW International Airport international passenger traffic grew at an average annual rate of 8% from 2010-2014, much faster than any of the other 10 busiest international airports. The expanded connectivity to global business destinations offers Irving a strong avenue for international business development.
- The next generation of cellular technology, called 5G, is in the R&D phase with an estimated adoption date around 2020. The high concentration of telecommunications companies in Irving and the Metroplex represent an opportunity to position the city as the premier location for 5G innovation.
- The Irving Convention Center at Las Colinas is a unique asset that Irving can leverage for economic development, especially through events that attract decision makers within the city’s target industries.
TARGET INDUSTRY RECOMMENDATIONS

This section provides a brief explanation of factors for each industry that answers the question: Why is this a good target for Irving? Where appropriate, we have included specific niches that have favorable growth prospects or where Irving has a comparative advantage.

CORPORATE HEADQUARTERS

This industry comprises businesses (excluding government establishments) primarily engaged in administering, overseeing, and managing other establishments of the company or enterprise. These establishments normally undertake the strategic or organizational planning and decision-making role of the company or enterprise. Establishments in this industry may hold the securities of the company or enterprise. While the administrative functions are classified under a single code in the NAICS system, corporate and regional headquarters operations occur across all industry clusters.

Corporate headquarters are a welcome addition to any local economy. In addition to their value as a source of high-wage employment, these facilities are often prized for reasons that go beyond job creation. The announcement of a major corporation’s plans to relocate can substantially raise the profile of a community. Over time, a corporate office can become indelibly linked in the mind of the public with their home base: Boeing and Seattle; Wal-Mart and Bentonville; Whole Foods and Austin. Along with an image boost, corporate locations can also provide a significant benefit to the local economy. Beyond the direct impact of wages, corporate profits are often invested locally through spending by executives and through philanthropic activities. Given their strong local ties, however, corporate headquarters are typically not quick to relocate. While figures are not readily available, Area Development magazine estimates that approximately 5 percent of corporate headquarters move each year. Reasons firms relocate are varied. The most commonly cited reasons include repositioning the firm in the marketplace, consolidating operations after a merger, and reducing costs.

Corporate headquarters (HQs) are perhaps the most obvious target for Irving. Irving’s LQ in this industry is 1.91, more than double the Dallas-Fort Worth MSA’s LQ of 0.73. The city’s easy access to DFW International Airport and Dallas Love Field, its central location within the nation’s fourth largest metro area, and the existing presence of many corporate facilities are all factors that make Irving a natural location for corporate HQs. It is important to make the distinction between corporate HQs and major corporate operations (other than the headquarters itself). Irving has both, but the vast majority of the city’s employment is not in the headquarters category. Both corporate HQs and major corporate operations have similar characteristics, but a corporate HQ can bring unique economic benefits and is less likely to move to another city.

A final consideration that makes Irving a favorable location for corporate HQs is the availability of large sites for development and redevelopment (such as the former Texas Stadium site) with its light rail access. Recent and ongoing corporate expansions are taking place in walkable, mixed-use districts (State Farm in Richardson, Liberty Mutual in Plano, and the strong interest from major corporations in Irving’s former Texas Stadium site). These lend credence to the notion that walkable developments are important for attracting major corporate facilities. Beyond the hundreds of acres available for development along the DART Orange Line in Irving, amenities (the Music Factory and other projects) will play a role in corporate HQ recruitment.
POTENTIAL NICHE SEGMENTS:

- Corporations seeking an HQ in the Central Time Zone
- Corporations seeking an HQ adjacent to a major international airport
- Corporate HQs within Irving’s strongest sectors (finance & insurance, software, telecommunications)

CORPORATE TRAINING

For similar reasons to the corporate HQs target, Irving is a great location for corporate training facilities. The Dallas-Fort Worth MSA as a whole is well-suited for the growth of corporate training functions. This is due to the large number of corporate facilities in the region and their central US location. But Irving is particularly well-positioned within the Metroplex to recruit corporate training centers for three reasons. 1) Several major corporations already have a significant training center in Irving. AT&T, Oracle, Nissan North America and other companies operate training centers in Irving that draw thousands of employees from across the US on an annual basis. 2) The city's location adjacent to DFW International Airport and its close proximity to Dallas Love Field give it easy access to the entire US (and, indeed, the world). 3) The Irving Convention Center at Las Colinas is a huge asset for the attraction of corporate training centers. The recruitment of other corporate events (annual shareholder meetings, quarterly investor meetings, user conferences, etc.) is also a good fit for Irving for all the same reasons.

FOREIGN-BASED CORPORATIONS

International business attraction and foreign direct investment are appealing strategies to many economic developers, in part because recruitment successes are generally high profile and generate excitement. However, for most communities, the domestic business opportunities far outweigh the potential for international development. Most cities would be ill-advised to spend significant resources pursuing global opportunities when there are economic development possibilities closer to home. Irving is not one of those cities. With nearly 100 foreign-based firms from more than 20 countries, Irving is well-positioned to make international business development an additional core component of its economic development program. DFW International Airport is currently in a growth mode, adding nonstop flights to major global business centers in multiple continents and increasing international passengers at a faster pace than the other 10 busiest international airports.

Given the city’s unique assets (DFW International Airport, the city’s large number of US- and foreign-based corporate offices, and access to a large pool of talent), Irving can easily promote itself as a logical choice for business expansion and relocation for multi-national corporations. The city’s high level of racial/ethnic diversity, including a large percentage of foreign-born residents, supports its position as a community that welcomes international residents and visitors.

Even though the majority of business recruitment and expansion targets for Irving will come from the US, the global marketplace offers a wide range of economic development opportunities. This will need to be a focused effort, building on business relationships with existing international companies. Beyond the international development potential, this strategy can also build excitement about economic development and strengthen the internal relationships among Irving’s business and community leaders.
POTENTIAL NICHE SEGMENTS:

- Large foreign-based corporations (from Latin America, South Asia, East Asia, and Europe) seeking initial entry into the US market, or considering the consolidation of multiple US offices into a single, central location
- Growing foreign-based firms with an existing presence in the Dallas-Fort Worth region
- High-growth small- to mid-size foreign-based firms seeking their first US location

SOFTWARE & INFORMATION TECHNOLOGY

The Economic Assessment revealed several competitive advantages Irving possesses in the software & IT industry. The city’s LQ for software publishers is 6.54 compared with an LQ of 1.19 for the Dallas-Fort Worth MSA. Irving’s LQ for data processing, hosting, and related services is 3.60, compared to an LQ of 2.10 for the MSA as a whole. Irving has several major technology companies among its largest employers (NEC Corporation of America, Microsoft, Oracle, and Computer Sciences Corporation). The occupational category with the highest LQ in Irving (3.01) and the Dallas-Fort Worth metro area (1.39) is computer and mathematical occupations.

The city’s central location within the region, its access to highly skilled workers, and the Irving Convention Center at Las Colinas are all significant advantages that can support further growth in Irving’s software & IT industry. The annual InnoTech conference that takes place at the convention center is both a testament to these advantages and is yet another asset that can be leveraged to grow this industry.

POTENTIAL NICHE SEGMENTS:

- Enterprise software
- Business services software
- Cyber security (private sector especially)
- Financial applications/payments software
- Data centers (enterprise & colocation)

TELECOMMUNICATIONS

From a regional perspective, telecommunications is one of the most recognizable industry clusters in the Metroplex. With the AT&T global headquarters in Dallas, the “Telecom Corridor” in Richardson (Ericsson, Samsung, MetroPCS, and other companies), and the major telecommunications companies in Irving (AT&T, Verizon, Sprint-Nextel, Frontier Communications, and Nokia), this industry is a strong target for the city’s economic growth prospects.

Irving has a high concentration of jobs in several telecommunications and related sectors: computer and peripheral equipment manufacturing (an LQ of 1.67 in Irving and an LQ of 0.67 in the Dallas-Fort Worth MSA); wired telecommunications carriers (an LQ of 6.07 in Irving and an LQ of 1.85 in the MSA); wireless telecommunications carriers—except satellite (an LQ of 5.71 in Irving and an LQ of 2.34 in the MSA); and other telecommunications (an LQ of 9.81 in Irving and an LQ of 2.31 in the MSA).

The increasing connections between the telecommunications industry and the software & IT industry further support the potential for Irving to attract jobs and investment in this industry, given the city’s strengths in both areas.
POTENTIAL NICHE SEGMENTS:

- 5G technology
- Mobile applications

FINANCE & INSURANCE

Finance & insurance has historically been a strong sector in the Dallas-Fort Worth region, and it continues to perform well with an LQ of 1.51. The recent relocation and expansion of Liberty Mutual Insurance from Boston to Plano further underscores the strength of this industry at the regional level. The Dallas-Fort Worth MSA has more jobs in finance & insurance than every US metro area except for New York, Chicago, and Los Angeles, but is growing this sector at a much faster pace. In fact, if 2010-2014 job growth rates continue, the DFW region will surpass Los Angeles and Chicago to become the second highest center of finance & insurance jobs in the US by 2017.

In Irving, this sector is an even more prominent piece of the local economy, with an LQ of 2.92. The city has several finance & insurance firms among its largest employers (CITI, Allstate Insurance, ACE Cash Express, State Farm, and Cottonwood Financial). Also, the close ties between this sector and corporate HQs make it a good target for additional growth.

POTENTIAL NICHE SEGMENTS:

- International banks entering US market
- Banks serving international populations
- Corporate benefits & insurance
- Consumer finance

HEALTH CARE SPECIALTIES & LABORATORIES

The U.S. health care sector has grown steadily over the last decade. In fact, the health care industry continued to gain jobs at a solid rate through the Great Recession, showing itself to be “recession-proof.” Most recently, the Supreme Court’s decision upholding the Affordable Care Act is translating into a surge of health care stock valuations with expected increases in investments nationally. And the continued aging of the U.S. population will inevitably create more growth opportunities in the health care sector. Health care spending as a percentage of GDP is projected to rise from 17.4 percent in 2013 to 19.3 percent in 2023, according to the Centers for Medicare and Medicaid Services. The fastest growing segments of health care spending include: home health care, medical equipment, and medical specialties (physical therapy, optometry, podiatry, and chiropractic medicine).

Another big trend affecting the health care sector is the increasing reliance on information technology (IT). With continued technological advancements in fields like health informatics and diagnostics, the boundaries between health care and IT are virtually non-existent. This is an advantage for Irving with its large presence of IT companies and IT workers in major corporations.

At first glance, Irving’s low concentration of health care jobs (an LQ of 0.43) might seem like a negative factor. However, in some cases, a low LQ can indicate a gap that needs to be filled. In Irving’s case this is true. The city’s health care sector has not kept up with recent and ongoing population growth and job growth in other sectors. Recent and projected population growth in Irving and surrounding communities makes the development of new medical facilities an attractive option for investment. Organizations such as the Las Colinas Medical Center, the Texas Center for Proton Therapy, and Baylor Scott & White Medical Center at Irving also play a role in supporting
the growth of the local and regional health care industry. The recent expansion of McKesson (pharmaceuticals and medical products distributor) into Irving with a major new regional HQ is a good example of the opportunities available in this sector.

POTENTIAL NICHE SEGMENTS:
- Diagnostic laboratories
- Urgent care clinics
- Medical specialties

PROFESSIONAL SERVICES

Professional services include legal, accounting, architecture and engineering, computer systems design, management/scientific/technical consulting, advertising, and related services. This is the modern supply chain for corporations. Just like manufacturing firms rely on a support system of materials and equipment suppliers, logistics providers, and other support functions, modern corporations depend on a wide range of professional service providers.

Along with New York, Chicago, and Los Angeles, Dallas-Fort Worth is one of the premier business centers in North America. The metro area has a diverse base of corporate headquarters, regional headquarters of large corporations, and divisional headquarters of large companies. And because professional service providers naturally tend to cluster around their primary customer base—large corporations—the Dallas-Fort Worth region has a high concentration of professional service firms. Irving has a relatively higher concentration of each of these (corporate HQs, other corporate operations, and professional services). Irving has a high concentration of jobs in computer systems design and related services (an LQ of 4.24 for Irving, compared with an LQ of 1.34 for the DFW metro area) and management, scientific, and technical consulting services (an LQ of 2.73 for Irving and an LQ of 1.28 for the DFW metro area). Irving also has strengths in architectural, engineering, and related services with an LQ of 1.66 despite the DFW metro area’s lower LQ of 1.06 in this sector.

The most logical professional services firms for Irving to target include those that support and/or benefit from the city’s existing corporate operations. Another potential growth area consists of firms that rely on convenient airport access (management consulting firms, corporate training providers, and related businesses).

POTENTIAL NICHE SEGMENTS:
- Legal
- Management consulting
- Import/export specialists
- Marketing
- Computer systems design & related services
- Architecture & engineering
Industrial technology consists primarily of the oil and gas industry and advanced manufacturing sectors. This industry also includes the maintenance and repair of industrial machinery and equipment. These firms do not account for a large share of Irving’s total jobs, but industrial businesses are an important part of the local economy. In fact, although Irving represents the second largest office employment center in the Metroplex (after downtown Dallas), the city contains an even greater amount of industrial space. Most of Irving’s industrial businesses are clustered along State Highway 114 immediately north of DFW International Airport (in the International Commerce Park and the DFW Freeport Park), along Highway 161 east of DFW International Airport, and in the southeastern section of the city along Loop 12. Industrial businesses account for several of the city’s largest employers: Holt Cat, FedEx Freight, Dr Pepper/Snapple Group, Frito-Lay Inc., and Aviall Services, Inc. a Boeing Company. In addition to the manufacturing businesses located in Irving’s industrial zones, the city is home to several corporate headquarters of large industrial firms including: ExxonMobil, Celanese, Fluor, Flowserve, Pioneer Natural Resources, Commercial Metals Company, and NCH Corporation.

Industrial technology is a good target for Irving for several reasons: it helps to diversify the local economy which is largely dependent on office employment, it provides well-paying middle skill jobs for local residents, and it complements many corporate HQ facilities of large industrial firms. The biggest challenge to growing this sector in Irving is the lack of developable sites that lend themselves to large-scale industrial facilities. Most of Irving’s large remaining sites are along the DART Orange Line. Nonetheless, there are several areas within Irving that will remain industrial in nature: the properties adjacent to DFW International Airport along State Highway 114, the area along Valley View Lane in southwestern Irving, and the properties along Loop 12 in southeastern Irving. The retention and expansion of existing industrial businesses in these districts should be a priority for the city, along with the recruitment of new high-value industrial firms.

Another consideration is the recent decline in oil prices, which has impacted the oil and gas sector globally and domestically. This has led to sizeable job losses in oil-producing regions and among the large oil production companies and related service providers. Significant job losses in this sector continue to take place across Texas, primarily in Houston, Midland-Odessa, and the Eagle Ford Shale region. The Metroplex is much better positioned than Houston to weather the impacts of low oil prices over a sustained period. Even though the region is home to many oil and gas firms’ corporate HQs, it has a much lower concentration of jobs in this sector than Houston. The industry’s current state of turmoil represents an opportunity for aggressive communities seeking to capitalize on the ongoing and future consolidations, mergers, and acquisitions of large energy companies. Irving is especially well-positioned to take advantage of this opportunity given the existing presence of corporate HQs of large energy firms (ExxonMobil, Flowserve, Pioneer Natural Resources) and its central location adjacent to DFW International Airport.

POTENTIAL NICHE SEGMENTS:

- Oil & gas
- Advanced manufacturing
- Corporate HQs & related functions of large industrial firms
NATIONAL ASSOCIATIONS

National associations include nonprofit business, industry, trade, and professional associations and organizations. This also includes civic and social organizations and philanthropic grantmaking foundations. Another way of viewing these types of entities is to characterize them as the “corporate HQs” of the nonprofit world. While nonprofits do not contribute directly to the city’s tax base in the same way that a private sector business does, they add positive economic impacts in multiple ways: creating jobs, occupying privately-owned commercial office space, and increasing spending through suppliers and service providers.

National associations and large philanthropic foundations are typically located in the long-standing political and economic capitals of countries. As a result, the highest concentration of national associations and foundations in the US can be found in New York and Washington, DC. The DFW Metroplex has a relatively low concentration of national associations; however, Irving is home to several HQs of national nonprofit organizations. The same factors that make the city a great place for corporate HQs (central location, large skilled workforce, proximity to DFW International Airport) also make the community a logical choice for the central offices of national associations. Irving is home to the national headquarters of several nonprofits with national reach including: the Boy Scouts of America, Mothers Against Drunk Driving (MADD), the National Society of Hispanic MBAs, Promotional Products Association International, the Electronic Security Association, the American College of Emergency Physicians, the Big 12 Conference, and the College Football Playoff organization.

Finally, since few economic development programs focus on associations as a target, there would be little competition for Irving’s recruitment efforts. The fact that associations are an uncommon target makes the relocation or expansion of national associations and large philanthropic foundations into Irving an appealing and significant opportunity. A related opportunity consists of associations that are headquartered in another market (e.g., New York, DC, or another large coastal city) but are seeking to open a regional office in the central US. Irving offers a much more affordable location compared to New York or DC, allowing for more money to support the bottom line and ultimate purpose of nonprofit organizations.

POTENTIAL NICHE SEGMENTS:

- Industry & trade associations
- Membership organizations
- Sports & athletic associations
- National grantmaking foundations