



**Camden Food Economy Strategy**  
**July 2013**  
**Campbell Soup Company**



**TRE** THE REINVESTMENT FUND  
Capital at the point of impact.

# The Reinvestment Fund

**\$1.2 billion**  
in community investments  
**\$700 million**  
in capital  
under management  
**800**  
individual & institutional  
investors  
**2600**  
projects financed

## Business Lines



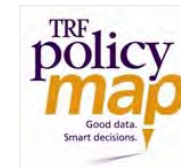
Lending & Investing



Policy Research



TRF  
Development  
Partners



PolicyMap



# New Jersey Food Access Initiative



TRF organizes & manages public-private partnerships to improve access to fresh foods in underserved communities

# Public Policy Advocacy

- Improve access to healthy foods
- Foster better health outcomes
- Support small business development
- Create & retain jobs
- Revitalize communities
- Contribute to local food system development
- Incent public-private partnerships

## Healthy Food Financing Initiative



A National Campaign



# Research & Analysis

- Economic Impacts of Supermarkets
- FFFI Rural Grocery Case Study
- Limited Supermarket Access (LSA) Study
- Food Systems Research



# Building Capacity

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## Healthy Food Access Portal


PolicyLink | The Food Trust | TRE THE REINVESTMENT FUND

Get Started | Resources | Find Money | Policy Efforts | Retail Strategy | News & Events


**Welcome to the nation's first comprehensive healthy food access retail portal.**

Find resources designed to improve healthy food access in communities, build local economies, and enhance public health. Tap into a learning network that's using retail strategies to connect consumers to healthy food.

**Join the Discussion**  
Farmers' Markets are Increasing Access with Incentives, by Yael Lehmann, The Food Trust.




**Resources** | Find Money




WEBINAR-Food Policy Councils:

**News** | Events



'Treme's' Wendell Pierce opens first

**Policy Efforts** | Retail Strategy



Michigan

[www.healthyfoodaccess.org](http://www.healthyfoodaccess.org)

# Camden Region's Economic Base

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1. Selection of Peer Cities
2. Demographic Trends
3. Economic Base Analysis
4. Economic Multipliers
5. Implications for Policy and Planning

# Comparison Cities

- Camden, NJ
- Kansas City, KS
- East St. Louis, IL

- Lower than average household incomes
- Declining number of overall jobs
- Relatively high unemployment rates

- Hoboken, NJ
- East Providence, RI

- Higher than average household incomes
- Steady employment rates
- Disproportionate amount of White households

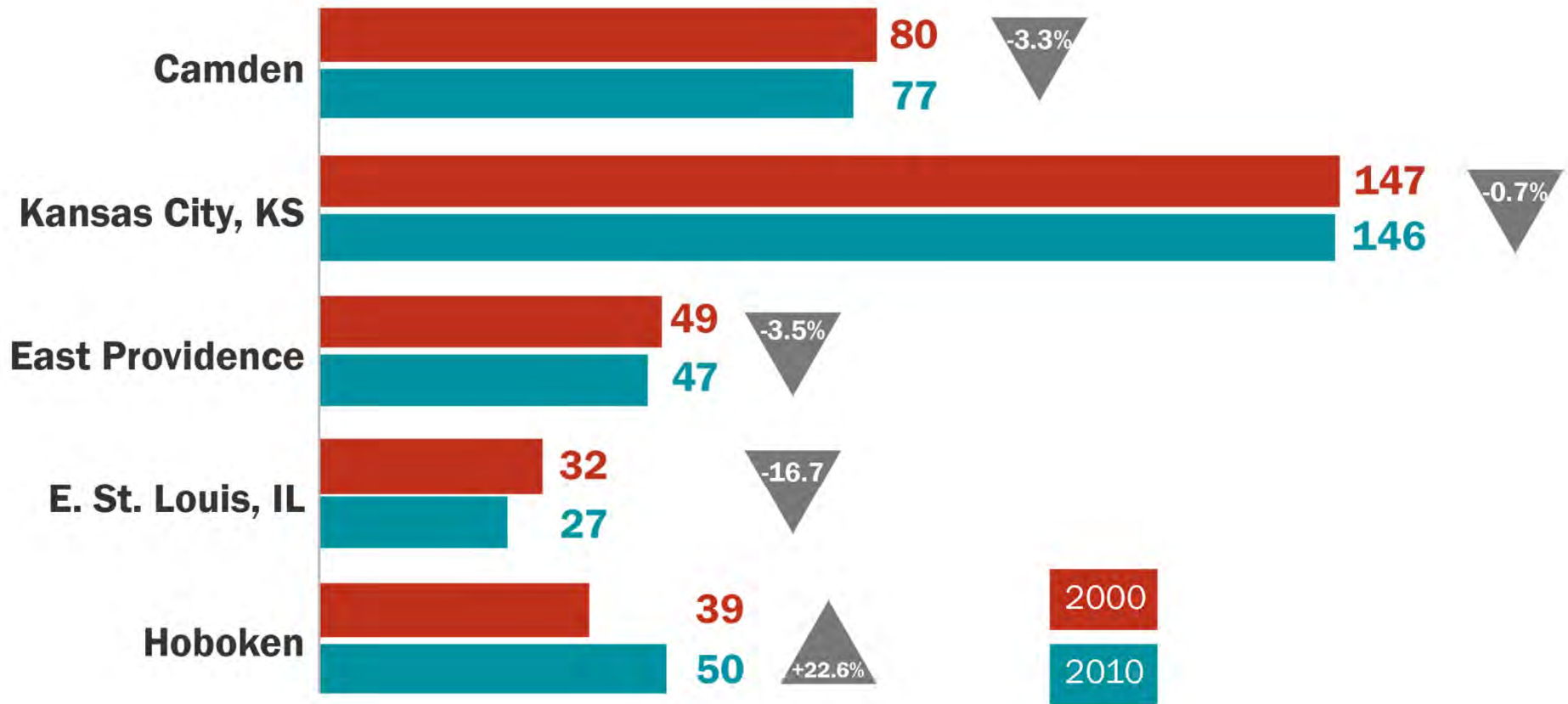


# Population

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- Camden saw a 3.3% decrease in total population from 2000 to 2010, on par with losses in East Providence
- Kansas City, KS had the most stable population over the 10 year period
- Hoboken saw a 22% gain in total population – by far the most dramatic change among surveyed cities

# Total Population (Thousands)

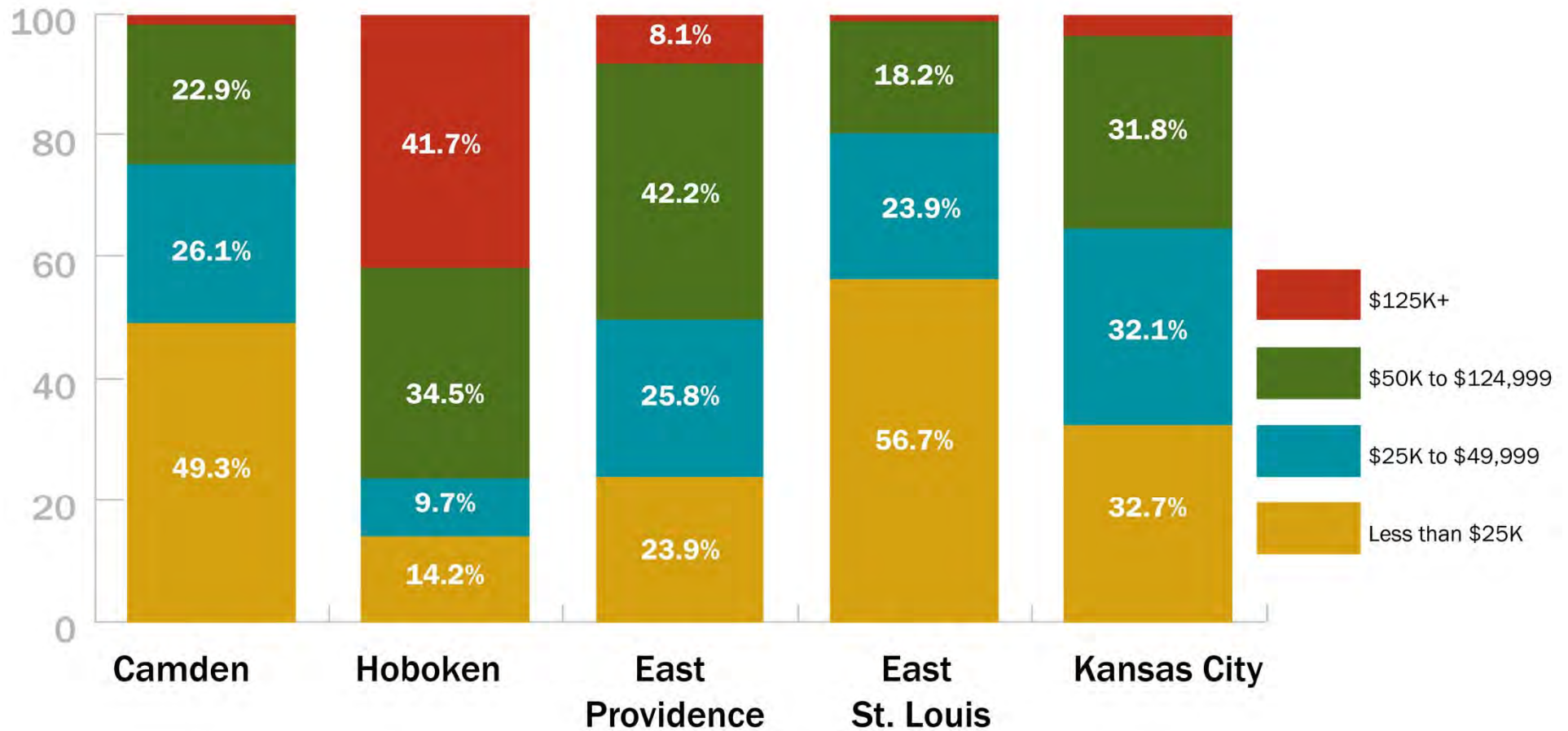


# Household Income

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- Nearly half of Camden households earn below \$25,000 annually; Slightly more than half in East St. Louis
- By contrast, over 40% of Hoboken residents make \$125,000/year or more
- Kansas City has the most income diversity, but still has a relatively low percentage of households earning above \$125,000/year

# Household Income, 2005-2009



Source: PolicyMap, US Census



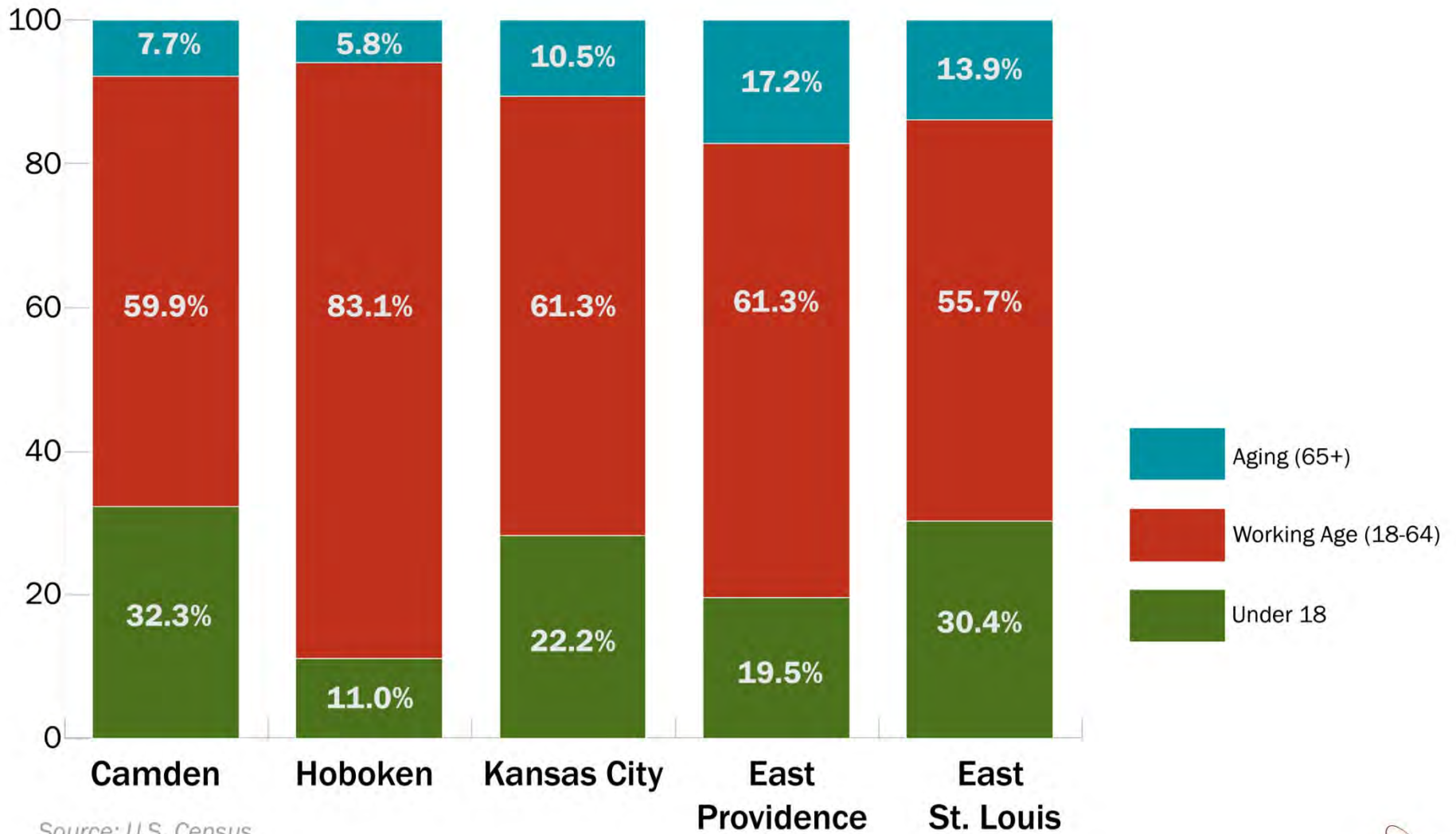


# Population by Age Cohort

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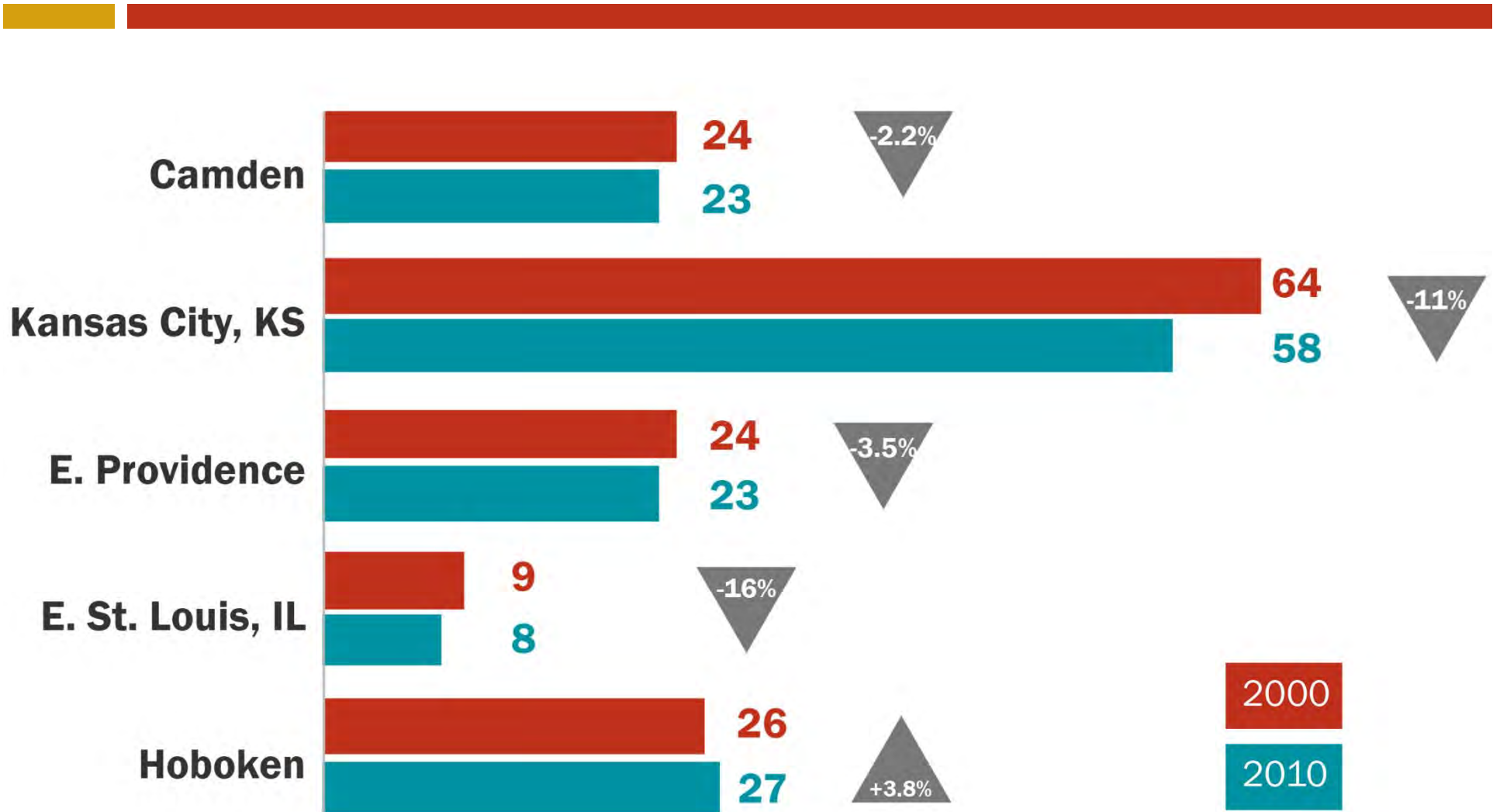
- Camden and East St. Louis have the largest % of population under 18
- The Working Age cohort (18-64) is the largest in Hoboken, with 83% of the population falling in this category

# Population by Age Cohort



Source: U.S. Census

# Total Jobs (Thousands)



# Key Industry Sectors

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**SERVICES**

**RETAIL**

**MANUFACTURING**

**TRANSPORTATION &  
WAREHOUSING**

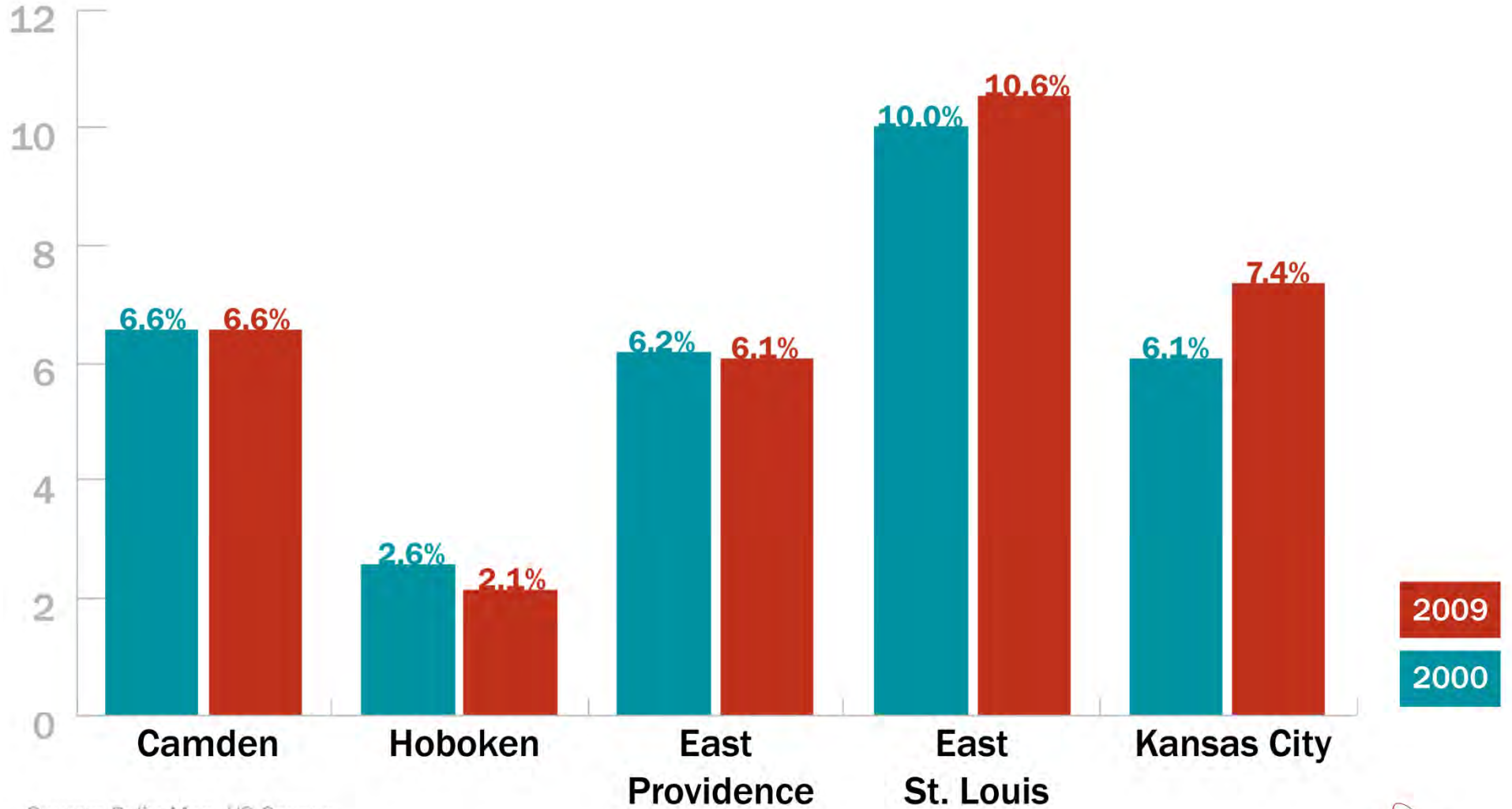


# Service Sector Employment

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- All cities except Hoboken have either remained relatively constant or seen gains in the service sector since 2000
- East St. Louis has the highest %, while Hoboken's % is remarkably low - Hoboken's economy is more diversified

# Service Sector Employment



Source: PolicyMap, US Census

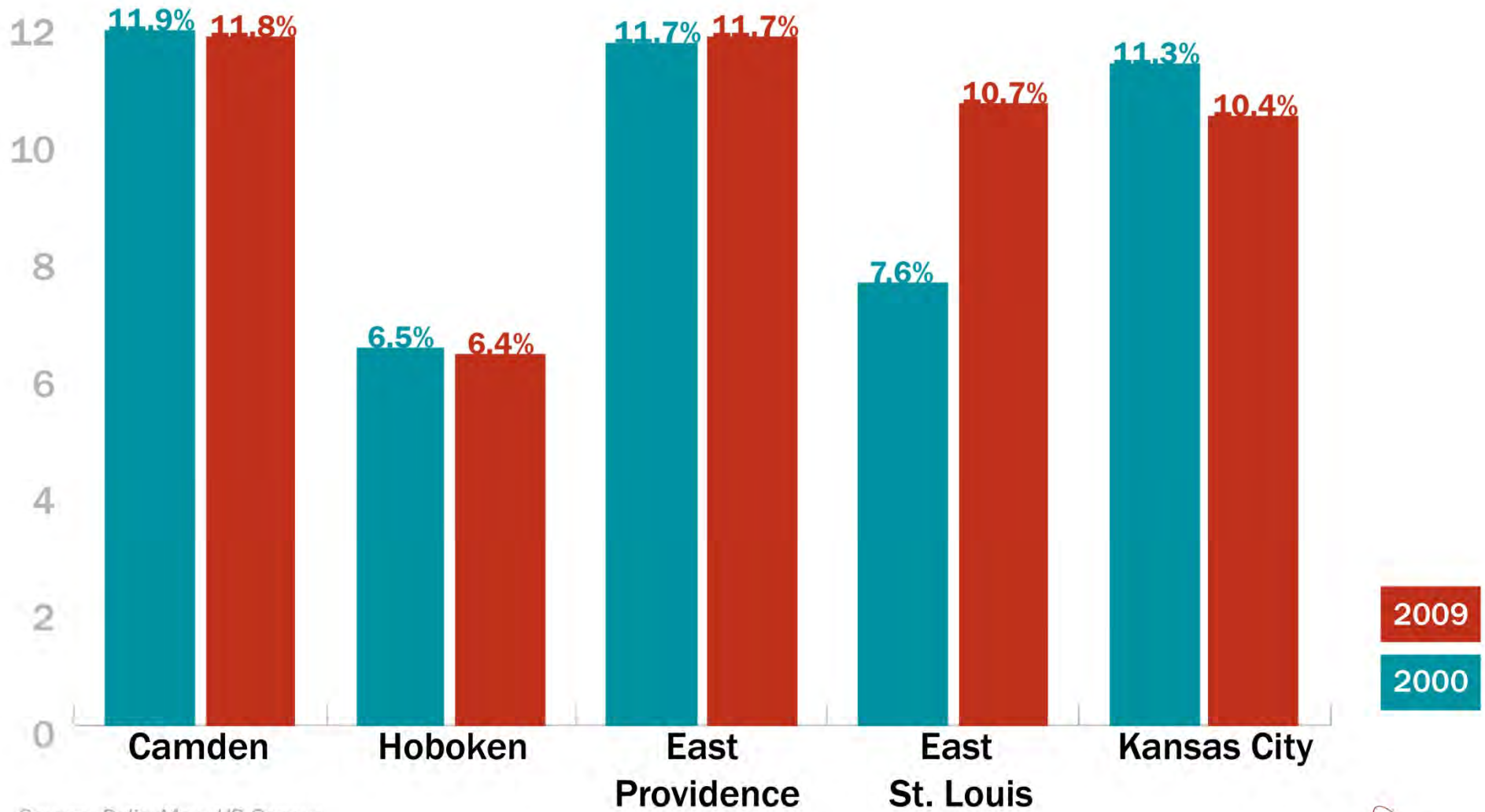


# Retail Sector Employment

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- Employment in this sector has remained constant between 2000 and 2009
- Hoboken has a smaller share than all other study areas – again, diversification
- Significant gains in East St. Louis
- Slight decrease in Kansas City

# Retail Sector Employment



Source: PolicyMap, US Census



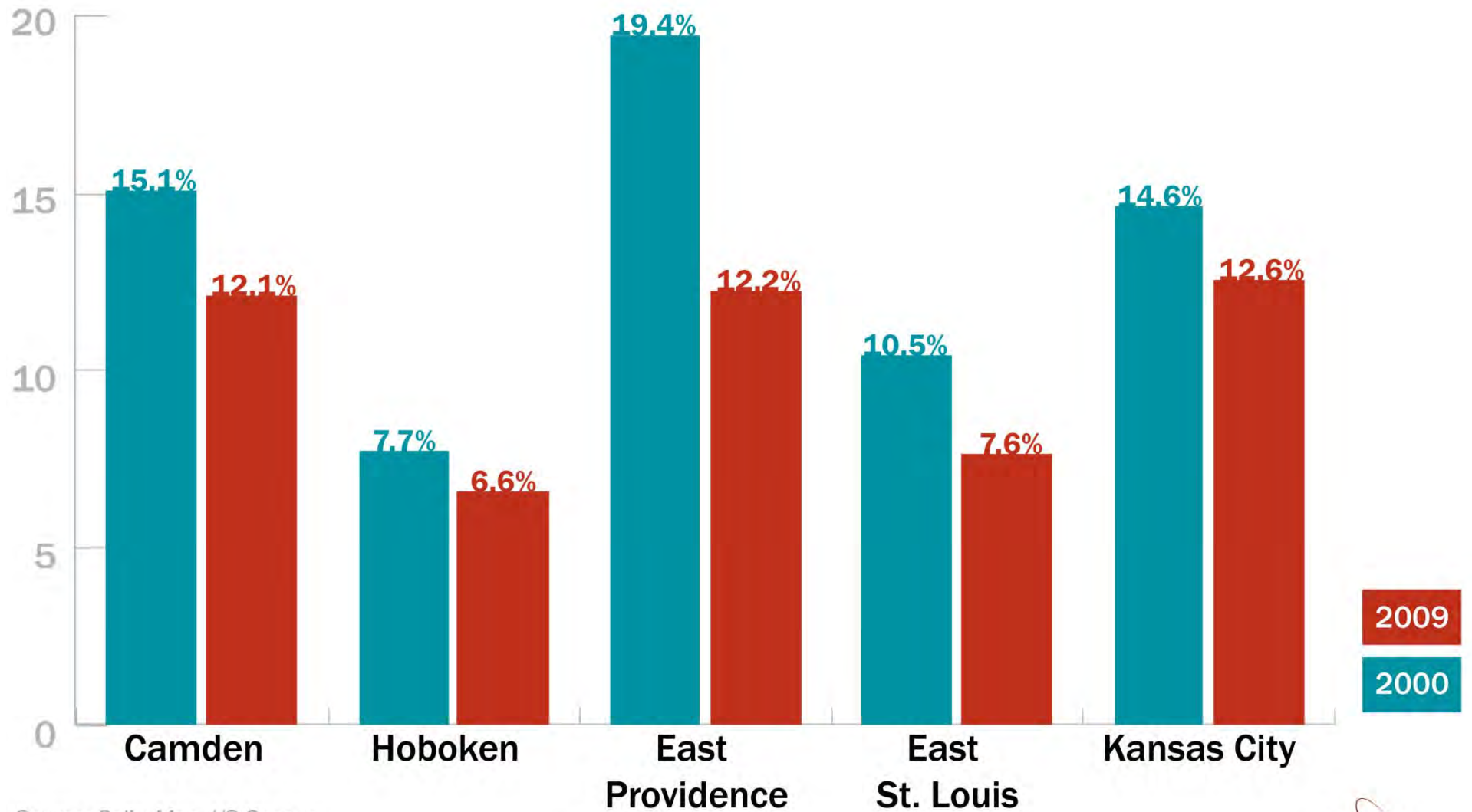


# Manufacturing Employment

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- Employment in the manufacturing sector has declined across the board – East Providence had the most dramatic decline
- However, selected location quotients for manufacturing industries are higher in Camden, Wyandotte, and St Clair Counties
- Manufacturing could have a comparative advantage in these counties

# Manufacturing Employment



Source: PolicyMap, US Census

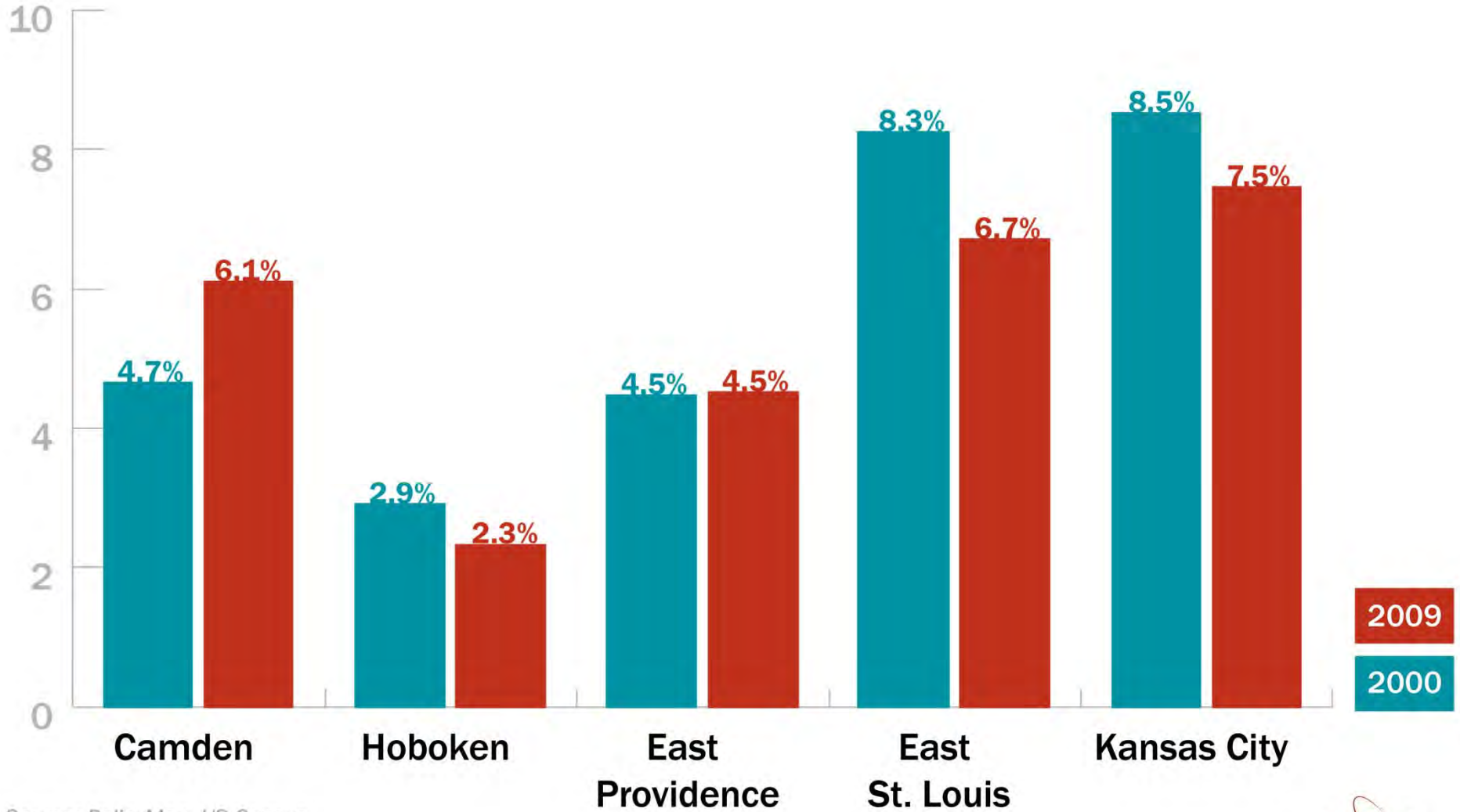


# Transportation & Warehousing

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- Camden was the only city surveyed that had a gain in this sector
- East St. Louis had the most significant decline, while East Providence remained steady

# Transportation & Warehousing Employment



Source: PolicyMap, US Census





# Economic Base Analysis

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Basic industries are those that produce more goods and services than are consumed within a selected economy – i.e. exports

TRF uses location quotients (LQ) as an empirical method for identifying basic industries, which constitute the economic base.

## *Location Quotient Calculation*

$LQ = \frac{\% \text{ of region's total employment in industry A}}{\% \text{ of benchmark's total employment in industry A}}$

# Economic Base Analysis

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## Policy and Planning Implications

$LQ \geq 1.10$  suggests a comparative advantage in a region's economy: retain, expand, and attract

$LQ < 1.10$  suggests either a disadvantage or a need for import substitution via attraction and expansion of industries connected to those with  $LQ > 1.10$

# State Location Quotients

<i>NAICS Description</i>	<i>NJ</i>	<i>DE</i>	<i>PA</i>	<i>MD</i>
Chemical Manufacturing	2.19	2.76	0.72	0.76
Water Transportation	2.10	0.00	0.32	0.11
Fishing, Hunting and Trapping	1.91	0.72	0.00	0.25
Transit and Ground Passenger Transportation	1.89	1.29	1.44	1.03
Merchant Wholesalers, Nondurable Goods	1.65	1.57	0.83	0.79
Leather and Allied Product Manufacturing	1.60	0.00	0.00	0.00
Support Activities for Transportation	1.46	1.01	0.61	0.89
Securities, Commodity Contracts, and Other Financial Investments	1.43	1.47	0.78	1.09
Management of Companies and Enterprises	1.39	1.40	1.06	0.86
Warehousing and Storage	1.37	0.00	1.40	1.11
Electrical Equipment, Appliance, and Component Manufacturing	1.29	0.94	1.17	0.07
Professional, Scientific, and Technical Services	1.25	0.83	0.84	1.42
Paper Manufacturing	1.25	1.28	1.55	0.10
Merchant Wholesalers, Durable Goods	1.25	0.47	0.93	0.79
Couriers and Messengers	1.25	0.91	1.11	0.36

# County Location Quotients

	<b>Camden</b>	<b>Hoboken</b>	<b>E Providence</b>	<b>Kansas City</b>	<b>E St Louis</b>
<i>NAICS Description</i>	<i>Camden County</i>	<i>Hudson County</i>	<i>Providence County</i>	<i>Wyandotte County</i>	<i>St Clair County</i>
Couriers and Messengers	3.03		0.25		
Computer and Electronic Product Manufacturing	2.32		0.43		
Transit and Ground Passenger Transportation	2.08	2.26	1.28		2.74
Printing and Related Support Activities	1.94	1.79	0.90	1.13	0.34
Miscellaneous Manufacturing	1.89	0.48	2.74	2.39	0.44
Hospitals	1.79	0.90	1.77		
Rental and Leasing Services	1.67	1.19	0.88	1.85	
Telecommunications	1.57				0.95
<b>Food Manufacturing</b>	1.55	1.06	1.10	3.59	1.93
Paper Manufacturing	1.54	0.49	1.61		
Wood Product Manufacturing	1.53		0.58	2.14	
Miscellaneous Store Retailers	1.36	0.58	0.73	0.75	1.37
Social Assistance	1.33	0.99	0.99	1.58	1.65
Personal and Laundry Services	1.30	0.76	1.02	0.63	1.01
Repair and Maintenance	1.25	0.67	0.95	1.24	1.50

# City Location Quotients

<i>NAICS Description</i>	Camden LQ	Hoboken LQ	East Providence	Kansas City	East St Louis
Water Transportation	33.10				
Computer and Electronic Product Manufacturing	18.09				
Waste Management and Remediation Services	5.36		1.57		
Support Activities for Transportation	4.78	2.05	1.01	3.74	
Hospitals	3.65	1.78	0.59		
Management of Companies and Enterprises	2.91	0.36	0.08	0.71	1.77
Social Assistance	2.79	0.87	0.30	1.01	5.16
Nonmetallic Mineral Product Manufacturing	1.98		0.46	6.62	2.77
<b>Food Manufacturing</b>	1.46	1.18	2.37	1.21	
Fabricated Metal Product Manufacturing	1.15	0.03	0.93	0.59	0.04
Merchant Wholesalers, Durable Goods	1.12	0.14	1.87	1.75	0.11
Ambulatory Health Care Services	1.10	0.43	1.34	0.76	0.71
Wood Product Manufacturing	1.07		0.17	1.68	
<b>Food and Beverage Stores</b>	1.04	1.32	0.85	0.57	3.11
Personal and Laundry Services	1.01	1.79	0.62	0.56	1.07



# Camden's Economic Base

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Six of Camden's industries with  $LQ > 1.10$  employ more than 500 workers

- Computer and Electronic Product Manufacturing (1,785 or 9%)
- Hospitals (3,675 or 18%)
- Management of Companies and Enterprises (1,767 or 9%)
- Social Assistance (1,898 or 9%) – *Not an exported service*
- Merchant Wholesalers, Durable Goods (660 or 3%)
- Ambulatory Health Care Services (1,543 or 7%)

Food Manufacturers employ 252 or 1.2% of all private employment

# Economic Base Analysis

How do regions develop an economic base?

- Early years: industries naturally formed in areas with comparative advantages (e.g. infrastructure, transportation, labor)
- Late 20<sup>th</sup> Century: distinct comparative advantages became less pronounced among cities and regions due to widespread infrastructure improvements and larger labor forces
- Economic development groups at all levels of government competed for new or relocating businesses via incentives
- Camden's once thriving economy, including large-scale food processing, lost its economic base to lower-cost regions with similar infrastructure
- Globalization has made economic development even more competitive among U.S. cities, states, and regions

# Development Policies and Strategies

How can Camden develop its food economy?

- Higher fuel costs have made shipping ports and freight rail more cost-effective – Camden should develop incentives for both
- Abundant industrial land near ports should be marketed to food processors and distributors – Innovation Districts
- Vacant greenfield land should be used for agricultural production sold to the region's food-related businesses, including retail
- Avoid using economic development incentives for retail development prior to non-retail – *don't wag the dog*
- Incentives should include provisions that require a minimum percentage of employees living in Camden – retail will take care of itself once household incomes are paid for by exports

# New Jersey Economic Multipliers

<i>BEA Industry Aggregation</i>	<i>Direct Jobs</i>	<i>FD Jobs</i>
44. Funds, trusts, and other financial vehicles	15.12	14.74
31. Water transportation	7.92	11.21
25. Chemical manufacturing	6.61	7.90
24. Petroleum and coal products manufacturing	6.15	5.09
29. Air transportation	4.67	12.18
15. Motor vehicle, body, trailer, and parts manufacturing	4.64	6.27
34. Pipeline transportation	4.19	12.12
<b>19. Food, beverage, and tobacco product manufacturing</b>	3.65	9.25
10. Primary metal manufacturing	3.54	7.77
22. Paper manufacturing	3.53	8.18
13. Computer and electronic product manufacturing	3.31	9.35
39. Broadcasting and telecommunications	3.27	9.55
6. Utilities*	3.27	5.84
30. Rail transportation	3.16	9.48
14. Electrical equipment and appliance manufacturing	3.16	10.09
43. Insurance carriers and related activities	3.10	12.79
42. Securities, commodity contracts, investments	3.04	14.60
18. Miscellaneous manufacturing	2.99	10.29
26. Plastics and rubber products manufacturing	2.86	10.32
45. Real estate	2.79	4.94

# Development Policies and Strategies

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Because NJ has a large presence of firms operating in the food manufacturing supply chain, Camden can make the case for state-level incentives

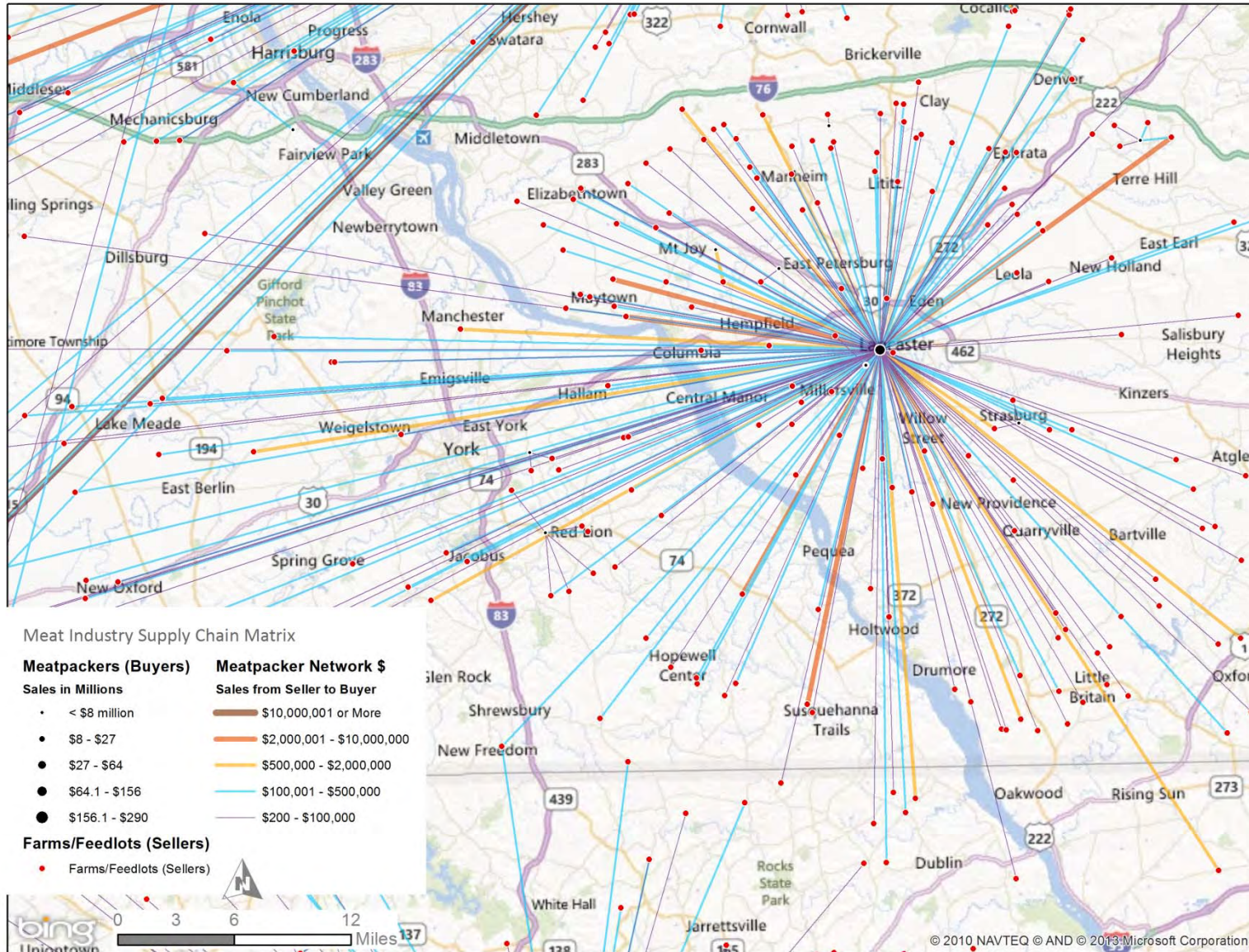
Long-term development could include food tourism and niche retail opportunities

TRF's Supply Chain Matrix can be used to identify potential economic connectivity within the region

TRF is interviewing Camden's major institutions to gauge the extent to which they source regionally produced or processed foods



# Supply Chain Matrix





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