

LOCAL JOBS FACE CHALLENGE

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It's not breaking news that California is widely perceived as being a particularly challenging place in which to operate a business. In fact, a survey of CEO's around the country recently found that our State has fallen to 49th place on a list of best in which to operate a business. Oregon and Nevada have implemented high-cost campaigns to attract our companies to their States.

As an economic development agency, the primary task of the ERC involves working with those employers already located in our community, to assist them in securing the resources to grow stronger and more competitive. When we hear of a business that is considering moving out of our community for whatever reason, we are charged with aggressively exploring viable options for retaining their operations here.

There are times when the issues associated with corporate retention can be absolutely maddening. Given California's current business climate, there are factors that can compromise a company even after it has decided to remain in California. Let's look at a timely example. We are aware that one of Nevada County's employers is currently considering whether to remain in operation here or to move to the State of Nevada. The company's owners have stated that they much prefer Nevada County's quality of life, and have invested enough of themselves in the local community that they would hate to leave. At the same time, they recognize that a move to Nevada would result in an immediate annual savings of over \$200,000 in operating expenses, a number that would move directly to their profit line.

This successful manufacturer also points out that they have been largely overlooked by their competition, and allowed to sell freely throughout much of the western United States. At any time, however, one of these competitors could tire of this arrangement, build a manufacturing plant in Nevada, and take advantage of the lower operating costs. Now able to offer significant cost savings to customers, it would not take long for the newly-arrived competitor to grab enough market share to effectively force the closure of our local company. The employer is then faces a critical choice,—one where the company—and its many local jobs, hangs in the balance.

It's rather unsettling, isn't it? One the one hand, we recognize that these manufacturing jobs could be lost in a move to Nevada. On the other hand, even if the decision is made to continue operations in Nevada County, those same jobs remain vulnerable due to the costs of doing business in California. It seems to me that I recall a line from the comic strip “Pogo” that might apply here.

In truth, our California businesses are at risk. We cannot assume that they will remain in place simply because our State happens to be a wonderful place to live. We must become advocates for our valued employers, and take a stand against legislation and regulation that leaves important Nevada County jobs in jeopardy.