

Value of The Humboldt Economic Index to Business, Campus, and Community

Humboldt County has a small insulated rural economy which is rarely addressed by state and national economic analysts. Because of this insulation, there was a giant void in available economic data to analyze and understand the trends and direction of our local economy. The Humboldt State Economic Index now supplies our community with the valuable data which is useful in both the public and private sector. I cannot imagine trying to manage our local community based financial institution without the aid of the Humboldt State Economic Index.

John Dalby, President and CEO, Redwood Capital Bank

As a technology company with global clients we have a demand for educated workers in a rural area, the index has been an aide for me to help in recruiting talent as it lists the cost of living as well as home prices. To have a set of reliable economic data, that is not skewed information as we would get from the association of realtors is a very nice added bonus to have in the area. Professor Eschker has been both informative, by giving the local rotary speeches and reachable, as to answering certain questions and receiving feedback from isolated companies like ours.

Jonathan Speaker, COO, StreamGuys, Inc.

As a Real Estate Broker here in Humboldt County, I have found the information on the Humboldt Economic Index to be extremely helpful in understanding the dynamics and the trends in the local marketplace, especially the data related to real estate. I use the data in counseling my clients because I want them to understand that buying or selling a home needs to be done in the context of broader economic conditions. I encourage my clients to view the website and I discuss with them the interaction I have had with Erick Eschker regarding the interpretation of the data. To make wise decisions, people need to be aware of what is going on and the HEI provides current and relevant information to keep us informed.

Charles McCann, Broker, Community Realty

We utilize that data contained in the economic index in several ways, as follows:

- 1.) Each quarter end, we use your data (along with more national/regional stuff) to make relative comparisons for purposes of evaluating overall economic health.*
 - a. This is very useful for determining whether or not conditions are improving or deteriorating.*
 - b. We use the relative measure to quantify operations risks, most notably in our loan portfolio*
 - c. These operational risks are then assigned numerical values*
 - i. In other words, if residential house market conditions are improving, we may hold less reserves on that segment of our loan portfolio.*
 - ii. Of course, the same is true if conditions worsen.*

2.) *Our Chief Credit Officer utilizes your information (along with other materials) to provide a Quarterly "state of the economic union" for our loan committee.*

Fred Moore, SVP/CFO, Redwood Capital Bank

The North Coast region is lucky to have Humboldt State's Economic Index. Rural areas increasingly depend on grant funding for economic and business development. Our ability to be competitive and secure such funding is greatly enhanced when we have data to back up qualitative information and perceived trends; the Economic Index provides us such data. Individual businesses in the sectors measured by the Index have also benefited by being able to benchmark their internal data against regional aggregated data.

Kristin Johnson, Regional Director, Lead Center Small Business Development Centers of Northern California

The Humboldt Economic Index has proved invaluable to me as a reporter. Its in-depth information and analysis of the local economy has helped me countless times to understand and report on economic trends and underlying factors that would otherwise be obscure, if not invisible. In particular, I often turn to the Index for unbiased information on the housing market, unemployment and gasoline prices. In a geographic area like ours, which is often overlooked due to its remoteness, the wealth of data compiled in the Index is especially appreciated -- both by reporters like myself and by our readers. (In fact, I know I'm not alone in regularly checking the Index on my own time, purely out of nerdy curiosity.) The history and context provided by the Index help our community to understand itself -- a true public service.

Ryan Burns, Staff Writer, The North Coast Journal

Our rural news reporters value the Humboldt Economic Index as an objective research resource, which they use as a point of comparison with other sources, say, in the housing or real estate industries. Because it's Web based, they can consult it whenever they want without going through phone calls or middle men. With the accelerating deterioration of the economy both locally and nationally, the index has increased in importance and usefulness with every passing day. I refer reporters to it constantly, including student reporters from our journalism school. For some, it is their first introduction to economics and they gain a multi-disciplinary experience in their assignments. Likewise, students help in preparing the index, giving them hands-on experience to supplement their classroom instruction.

Paul Mann, Senior Communications Officer, Humboldt State University

Humboldt State University has really profited from its economists and their students ongoing production of the economic index for Humboldt County. I have made real efforts to ensure that our region understands the economic impact of the university, and the index has helped immensely in that regard. Local business people report to me that they use the index to assess the status of major trends in housing, the lumber industry, retail sales, hospitality and so forth. That the index is produced by the

university serves as a constant reminder to our region of the value of the university. That our students are involved in producing the index also reminds the community of the value of a university to our area. More than three quarters of our students come to Humboldt State from outside our region. Many of these students opt to stay in our area and a number of local businesses have grown from their entrepreneurial efforts. The Economic Index has played in key role in our ability to keep our region well informed about the importance of the university. While I was not President when the index was begun, if it were to be proposed again, I would be a strong supporter.

Rollin C. Richmond, President, Humboldt State University

- 1. Economic Index sponsors represent prominent business and community leaders. These sponsors depend on reliable information to help them make business decisions and to help them gauge the economic health of our community.*
- 2. Index sponsors are asked by myriad organizations in the community to provide financial support. They are looking for projects that relate to their business and that give them visibility among their peers. Index sponsors are largely financial institutions or economic development organizations. The Index ties to their purpose and they use it as a resource. By having the sponsor's logos on the Index web pages, the sponsors derive visibility for their support.*
- 3. When the Index has sponsored community forums and other activities whereby the Index sponsors are invited or involved, this creates a means of engagement between the university and the business community to link the "town and gown."*
- 4. The Index provides an "expert" resource for local media so that they have a "go to" person(s) on campus to do background or for interviews on topics related to the local economy. Again, this gives exposure to the university.*
- 5. Many of the Index sponsors are alumni of HSU and the Index provides a personal means of engagement between them and the university and adds value to their degree, i.e., the more well known and regarded their alma mater is, the better they will feel about being associated with their alma mater. Most people value having a connection to a university.*
- 6. As a development officer, the Index has provided another reason for me to contact and connect with alumni and business leaders.*

Mary P. Wells, Senior Development Officer, Humboldt State University

I found my work on the Index to be more valuable than I could have foreseen. Certainly I gained a wealth of knowledge about economic theory and practice, but more valuable than this was the long term practical work with real data. This is hard to reproduce in the classroom. In my coursework, I might spend an evening or a few with a dataset then move on to another. Working for an entire semester or more with the same set of real data imparts a kind of working knowledge that the classroom couldn't. It has not only changed the way I handle datasets in my career, but it's changed the way I read the daily news and political commentary. In short, what the classroom imparted in a very theoretical and not entirely practical fashion became not just practical but nearly intuitive during my time on the Index.

Garrett Perks, former Index Student Assistant Analyst