The Chester County Economy

Background Economic Data for Restore Chester County

December 2022

CHESTER COUNTY Planning COMMISSION

Chester County Economic Development Council

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Introduction

In 2021, Chester County's economy saw rebounds from the COVID-19 pandemic. In around April 2021 the county's unemployment rate began decreasing, and by September 2021 had returned to pre-pandemic levels of under 4 percent. While the emergency impacts of the pandemic have largely concluded, ongoing impacts remain. Companies have shifted or are in the process of shifting to a hybrid remote-work schedule. Some employers have decreased office space, leading to an increase in office vacancy. These changes have decreased taxes and decreased revenues at restaurants and shops that previously depended on lunch-time rushes.

Residents' shopping habits changed as they became more comfortable with online shopping during quarantine. There is now an increased demand for last-mile distribution centers and warehouses; resulting in low vacancy rates for industrial space.

During the pandemic, former city residents from higher cost of living areas relocated to Chester County. The influx contributed to a shortage in housing supply, exacerbated by the new residents' higher housing budgets. This, combined with other factors, have led to housing costs being at an all-time high, both for raw and inflation adjusted figures. High inflation has further increased financial burdens on many Chester County residents.

With all these ongoing impacts, continued efforts will be required to assist with economic recovery.

This report provides data that can be used to guide economic recovery and future growth for the county. Conditions are constantly shifting, and data used in this report provide only a snapshot of the time of data collection. The data in this report highlights the County's strengths and weaknesses that can be used to inform recommendations for the implementation of the county's comprehensive plan, Landscapes3. The Chester County Planning Commission plans to provide updated annual economic data.

Comparing Chester County to peer counties provides a better understanding of how Chester County's economy is performing. Comparisons at both the local, regional, and national level can provide valuable insight to Chester County's unique strengths and challenges. While comparing to national figures can provide general impressions, data at the national level provides averages for counties both similar and vastly different from Chester County. For this reason, data was collected and analyzed for both local counties located in Southeastern Pennsylvania, as well as counties located outside of other major northeastern cities with similar attributes to Chester County.

Data

Data used in the report was derived from multiple sources and compiled to give a snapshot of the current economic conditions in Chester County. Data sources include: The Bureau of Labor Statistics, U.S. Census, Bureau of Economic Analysis, ArcGIS Business Analyst, the PA Department of Labor, CoStar, National Establishment Time-Series (NETS), Chester County Assessment Data, Chester County building permits, site visits, Google Maps, and municipal outreach. The most recent available year of data varies by source, ranging between 2019 and 2022. Detailed information on data sources can be found on page 86.

Overview

This report is divided into six chapters that describe the county economy.

1: RESIDENT CHARACTERISTICS

- Chester County, with a 2021 estimated population of 538,649 people, is projected to be the fastest growing county in southeastern PA, with an estimated 107,024 residents to be added by 2050.

- County residents had a high labor force participation rate (the percent of noninstitutionalized residents over the age of 16 who are working or actively working) of 68%, a decline of only 1% from before the pandemic.

- A high share of residents work in professional occupations. This is reflected in the county's high median household income of over $104,150, the highest in the state.

- A slightly higher number of residents commute out of the county as workers from other places commute into Chester County.

2: EMPLOYMENT CHARACTERISTICS

- Chester County had the highest employment growth rate from 2001 to 2021 at 10%.

- In 2021, there were 239,849 people working in establishments throughout the county. This number increases when accounting for people who are self-employed (this data is not counted in the federal employment data).

- In 2021 the County had 3,901 more people working in establishments than in 2020. While increasing, this is still 12,990 people below 2019 employment numbers.

- Over 50% of jobs are in the top five industries - health care, professional and technical services, retail, finance and insurance, and manufacturing.

- The average wage of $81,902 is very high compared to both the region and the United States, and it has been increasing, up from $71,000 in 2018.

- While previously Chester County had the highest average wage in the region, in 2020 Montgomery County saw a large increase, surpassing Chester County. Average wages remained highest in Montgomery County in 2021, with an average of $82,176.

- The county has strong Pennsylvania employment shares in agriculture, finance and insurance, information, management of companies and enterprises, and professional, scientific, and technical services.

- Looking at specific industries, the county has particularly high employment in elementary and secondary schools, other financial investment activities, restaurants and other eating places, and management of companies and enterprises.

- Specific industries with employment growth from 2015 to 2020 due to local strengths include local messengers and local delivery, nondepository credit intermediation, educational support services, furniture and furnishing merchant wholesalers, and software publishers.

- Specific industries with employment decline from 2015 to 2020 due to local weaknesses include druggists' goods merchant wholesalers, machinery and equipment rental and leasing, semiconductor and electronic component manufacturing, warehousing and storage, medical and diagnostic laboratories, and commercial equipment merchant wholesalers.

3: BUSINESS CHARACTERISTICS

- The top five enterprises with the most employees are Vanguard, The Chester County Hospital, QVC, County of Chester, and Main Line Hospitals Inc.
- The county has nearly 16,000 private and public establishments, and 16 of these establishments have over 1,000 employees.

4: GROSS DOMESTIC PRODUCT

- The county's Gross Domestic Product in 2020 was $40.5 billion, which is a 50% real growth rate since 2001.
- The top industries that drove Gross Domestic Product were real estate and rental and leasing; professional, scientific, and technical services; and information.
- Looking at the change in Gross Domestic Product from 2015 to 2019, agriculture, utilities, real estate, information, arts and entertainment, finance, and mining all had positive local factors leading to Gross Domestic Product increases.

5: KEY INDUSTRIAL GROUPS

- Federal statistics and categorizations do not always fit neatly into the way businesses and the public think about industries. The Chester County Economic Development Council has identified nine industry groupings that are not necessarily the largest industries in the county, but they are critical for a variety of reasons. These nine industry groupings are agriculture and food production, education, energy, finance, health care, information technology, life sciences, manufacturing, and tourism and hospitality.
- Of the nine industry clusters, health care, with 28,086 employees, finance, with 23,785 employees, and tourism and hospitality, with 19,333 employees, are the largest.

6: REAL ESTATE CHARACTERISTICS

- In past, the county has been adding about 1,400 new housing units a year; this figure increased to 1,732 in 2020 and to 3,743 in 2021. The 2021 figure marks a return to the 3,000 plus units being added each year in the mid-2000s.
- Over the past few years, single-family detached homes have accounted for less than half of the homes built, with many apartments and townhouses being constructed. This trend continued in 2021, in which single family detached homes made up only 25 percent of new units built. The majority of new homes being apartment units.
- At $420,000 the median home sale price rose to the highest it has ever been, both for raw and inflation adjusted figures.
- Non-residential construction square feet grew slightly in 2021 compared to 2020, while the number of projects remained consistent.
- The county has a significant amount of office space, which has been renting at approximately $29 per square foot per year, a slight increase from previous years. The office vacancy rate in the county is about 9.6 percent which is the average for the region.
- Chester County's shopping centers and retail stores serve local community needs and are not generally a draw for those outside of the county. The average cost of $20 per square foot is consistent with the Philadelphia MSA, but the vacancy rate of 5.7% is far higher than the Philadelphia MSA's 4.3% rate.
- The county's industrial space rents for around $16 per square foot, which is very high for the region. The vacancy rate of 3.8 percent is around average for the region.

Economic Strengths and Weaknesses

Overall, Chester County has a very strong economy. This strength will help the county continue to recover from the COVID-19 pandemic.

Strengths

+ The county's economy is very diverse and not overly dependent on any one industry.

+ Strong industries in the county, such as management of companies and enterprises, finance and insurance, and professional and technical services, have high wages and are generally growing industries.

+ Specific higher growth industries, including software publishing, financial investment, and scientific research and development, are high-paying industries. Life sciences, within the scientific research category, has seen particularly strong local growth.

+ The county has a highly-paid and highly-educated workforce that normally has a high workforce participation rate and low unemployment rate.

+ The county is part of the Philadelphia regional economy and has easy connections to major East Coast destinations like New York City and Washington, DC.

+ The county has a history of agricultural industries which remain strong and nationally competitive.

Weaknesses

- Housing costs have been sharply rising, pricing many out of the county and causing others to be housing cost burdened.

- The real estate sectors have either higher vacancies or higher costs than nearby counties.

- Certain business sectors that have been strong in the past, such as computer system design or electronic shopping, have seen declines in employment.

- The county has lower employment than expected given national norms in the restaurant and health care sectors.

- Office parks along major corridors have fueled growth over the years. Shifts in employment norms to more hybrid workplaces may lead to dramatically different office use and development patterns.

Using This Document

Consistent features are used throughout the report:

Key facts

Key topic information

Figures

Detailed data on Chester County, local counties (Berks, Bucks, Delaware, Lancaster Montgomery, and Philadelphia), the Philadelphia-Camden-Delaware MSA, Pennsylvania, and the U.S.

1: RESIDENT CHARACTERISTICS

Unemployment Rates

Chester County has historically had one of the lowest unemployment rates in Pennsylvania.

Chester County has consistently had lower unemployment rates than Philadelphia, Pennsylvania, the United States, and its neighboring counties. Although Chester County's unemployment rate increased during disruptions caused by COVID-19, Chester County had the lowest rate of increase in Southeast Pennsylvania.

▶ **FIGURE 7**
Unemployment Rates

Philadelphia County
PA
US
Chester County

Source: U.S. Bureau of Labor Statistics

NORTHEAST COUNTY COMPARISON

Chester, Morris, Norfolk, and Prince William Counties have historically had very low unemployment rates, like Chester County. In 2019, these three county's rates dropped well below Chester County's rate, but increased above Chester County's rate in 2020.

2021 DATA

Chester County's April, 2021 unemployment rate was 4%, which is a significant decrease from April 2020's rate of 11.6%. The unemployment rate has not yet returned to pre COVID-19 levels, which ranged from 2.7% to 3.3% in 2019. The national unemployment rate decreased from 14.8% in April 2020 to 6.1% in April 2021.

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Data findings

Explanations of data and findings

2022 Data

Provides data updated to 2021 when available.

Northeast County Comparison

Information on how Chester County compares to three similar counties located outside of Pennsylvania. Norfolk, MA, Prince William, VA, and Morris, NJ were chosen as comparisons based on proximity to major East Coast cities, population size, and high wealth.

NORFOLK COUNTY, MA

MORRIS COUNTY, NJ

CHESTER COUNTY

PRINCE WILLIAM COUNTY, VA

RESIDENT CHARACTERISTICS

This chapter summarizes characteristics of Chester County's residents, who may work in the county or commute out of the county.

1

Population Change

Since 1970, Chester County has led Southeastern PA's population growth. The county is expected to continue leading in this growth through 2050.

Chester County has grown rapidly, adding nearly 250,000 people since 1970, which is about a 90% growth rate. The growth rate has slowed down recently, but significant growth is still expected. Although current DVRPC forecasts may be a little high, they show the county adding 11,260 people by 2050 for a 27.7 percent increase over the base year of 2020.

▼ **FIGURE 1**

Total Population

	1970	1980	1990	2000	2010	2020
Chester County	**277,746**	**316,660**	**377,832**	**435,303**	**499,797**	**534,413**
Berks County	296,996	312,509	337,812	374,546	411,850	428,849
Bucks County	418,645	479,180	543,091	599,085	625,472	646,538
Delaware County	603,456	555,023	548,033	551,536	559,276	576,830
Lancaster County	320,079	362,346	424,947	471,955	520,156	552,984
Montgomery County	624,080	643,377	680,066	751,335	801,052	856,553
Philadelphia County	1,949,996	1,688,210	1,584,293	1,514,563	1,528,306	1,603,797
Philadelphia MSA	4,817,914	5,547,902	5,892,937	6,188,463	5,971,483	6,102,434
PA	11,800,766	11,864,720	11,903,299	12,280,548	12,666,858	13,002,700
US	203,302,037	226,542,250	249,464,396	282,162,411	309,349,689	331,449,281

Source: U.S. Census

▶ **FIGURE 2**

County Percent of MSA and PA Population

Chester County percent of Philadelphia MSA: 5.8%, 5.7%, 6.4%, 7.0%, 8.4%, 8.8%

Chester County percent of Pennsylvania: 2.4%, 2.7%, 3.2%, 3.5%, 3.9%, 4.1%
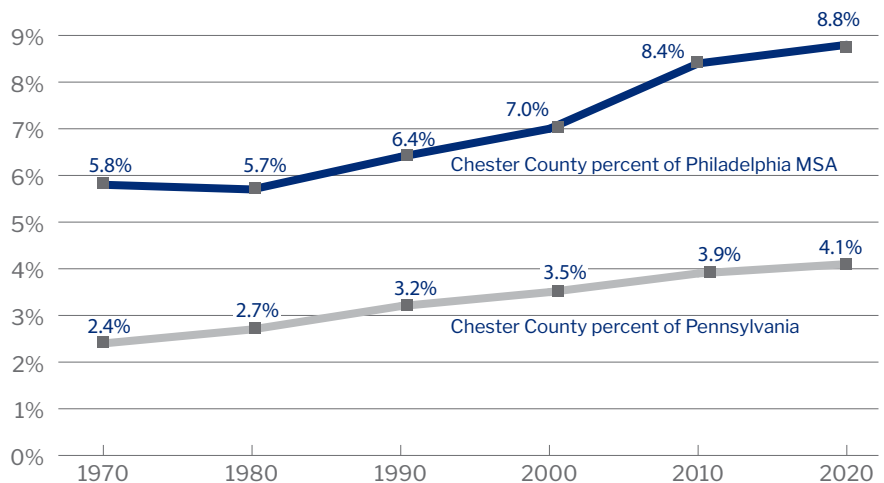
Source: U.S. Census

▶ FIGURE 3
Population Change

Philadelphia County
Montgomery County
Delaware County
Lancaster County
Chester County
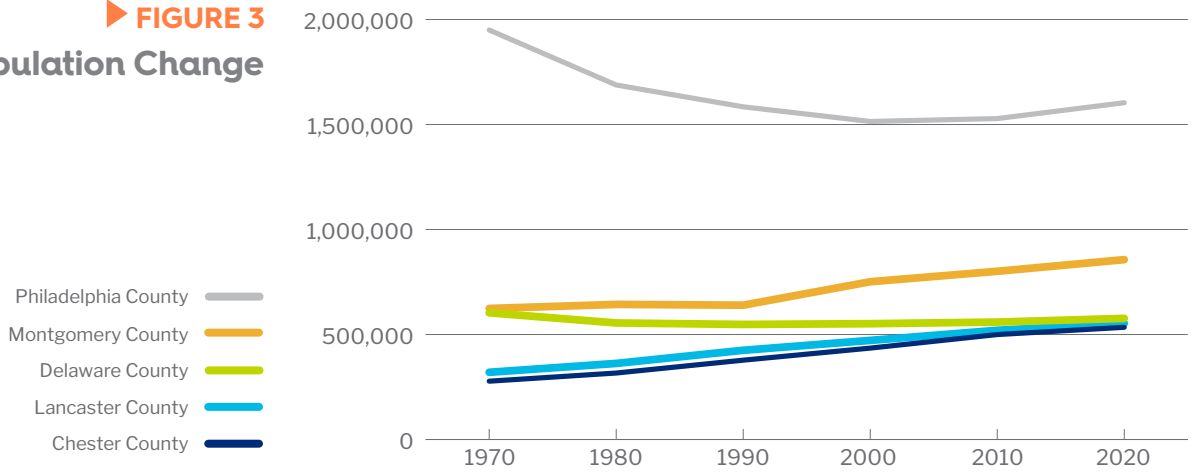
Source: U.S. Census

▶ FIGURE 4
Rate of Population Change

Chester County
Lancaster County
Montgomery County
Delaware County
Philadelphia County
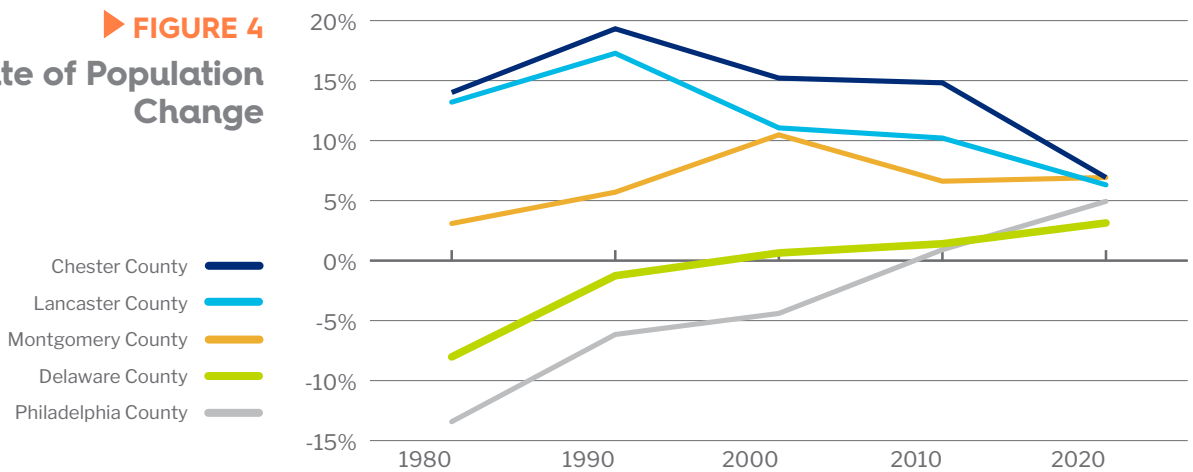
Source: U.S. Census

NORTHEAST COUNTY COMPARISON

As a suburban county near a major city, Chester County's population growth is not unique. Chester County's population growth fell in the middle of the three northeast comparison counties – with Norfolk County, MA and Morris County, NJ much lower and Prince William County, VA higher.

Labor Force Participation

Chester County has the highest rate of workforce participation in Southeastern PA.

Chester County has the highest labor force participation rate when compared with the region, state, or nation, which reflects the county's prosperity and job opportunities. The labor force participation rate has remained the highest in the region for three years.

▶ **FIGURE 5**

Labor Force Participation, 2020

	Population 16 and Older	In Labor Force	Percent in Labor Force
Chester	**417,628**	**285,201**	**68%**
Berks	336,742	218,754	65%
Bucks	516,530	347,974	67%
Delaware	455,084	298,655	66%
Lancaster	428,872	284,208	66%
Montgomery	669,506	455,933	68%
Philadelphia	1,272,154	783,168	62%
MSA	4,921,987	3,220,403	65%
PA	10,456,049	6,566,126	63%
US	261,649,873	165,902,838	63%

Source: U.S. Census

▶ **FIGURE 6**

Change in Labor Force 2010–2020

NORTHEAST COUNTY COMPARISON

Chester County's Labor Force Participation rate falls in the middle of Morris, Norfolk, and Prince William Counties.

	Change in Labor Force	Percent Change in Labor Force	Change in Civilian Employed	Percent Change in Civilian Employed
Chester	**20,559**	**8%**	**25,242**	**10%**
Berks	5,850	3%	13,099	7%
Bucks	7,414	2%	17,183	5%
Delaware	9,601	3%	17,386	6%
Lancaster	17,832	7%	26,316	10%
Montgomery	19,334	4%	31,283	8%
Philadelphia	71,715	10%	100,325	16%
MSA	139,976	5%	241,237	9%
PA	152,806	2%	384,938	6%
US	10,725,839	7%	16,988,142	12%

Source: U.S. Census

Unemployment Rates

Chester County has historically had one of the lowest unemployment rates in Pennsylvania.

Chester County has consistently had lower unemployment rates than its neighboring counties, Pennsylvania, and the United States. Although Chester County's unemployment rate increased during disruptions caused by COVID-19, Chester County had the lowest rate of increase in Southeast Pennsylvania. In 2021 unemployment rates began to stabilize but did not return to pre Covid-19 levels.

▶ **FIGURE 7**

Unemployment Rates 1990–2021

Philadelphia County
PA
US
Chester County
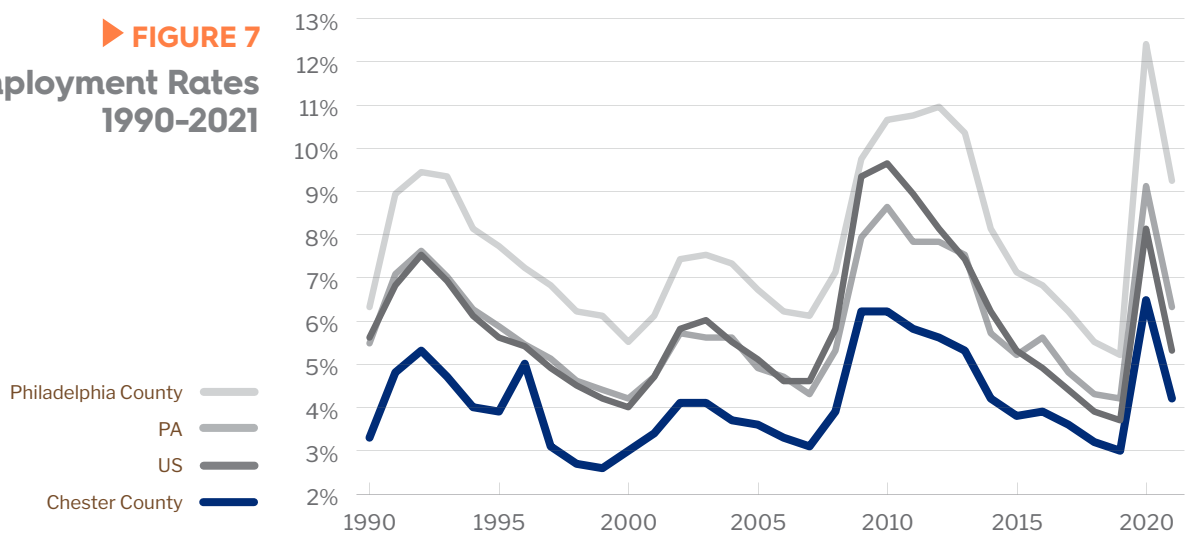
Source: U.S. Bureau of Labor Statistics

NORTHEAST COUNTY COMPARISON

NORTHEAST COUNTY COMPARISON Like Chester County, Morris, Norfolk, and Prince William Counties have historically had very low unemployment rates. Only Prince William had a lower unemployment rate in 2021, likely due to the high military presence there.

2022 DATA

Chester County's July 2022 unemployment rate was 3.3 percent, which is a significant decrease from April 2020's rate of 11.6 percent., marking a return to unemployment rates seen prior to the pandemic. The unemployment rate pre COVID-19 levels ranged from 2.7 percent to 3.3 percent in 2019. The national unemployment rate decreased down from 5.7 percent in July of 2021 to 3.8 percent in July of 2022.

Occupations

Most Chester County residents are employed in professional and business occupations.

A total of 57 percent of Chester County residents are employed in computer, management, business, sales, office, and education occupations. While only 2,699 residents are employed in farming, fishing, and forestry occupations, they make up 37 percent of the region's residents working in these industries. The share of the region's residents in agriculture has been steadily decreasing, down from 50 percent in 2018, driven primarily by employment losses in the mushroom industry.

▶ **FIGURE 8**

Resident Occupations, 2020

NORTHEAST COUNTY COMPARISON

Morris, Norfolk, and Prince William Counties also have high shares of workers in professional and business occupations, although Chester County has higher rates of workers in business and finance and lower rates in management, office, administrative, and legal occupations.

	Chester County Residents	Percent of Total Chester County Employment
Civilian employed population 16 years and over	273,256	100%
Management occupations	42,361	16%
Sales and related occupations	27,741	10%
Office and administrative support occupations	27,252	10%
Business and financial operations occupations	24,664	9%
Educational instruction, and library occupations	18,954	7%
Computer and mathematical occupations	16,128	6%
Health diagnosing and treating practitioners and other technical occupations	12,697	5%
Food preparation and serving related occupations	11,519	4%
Construction and extraction occupations	9,770	4%
Production occupations	8,603	3%
Personal care and service occupations	7,766	3%
Building and grounds cleaning and maintenance occupations	7,219	3%
Architecture and engineering occupations	7,103	3%
Arts, design, entertainment, sports, and media occupations	6,163	2%
Installation, maintenance, and repair occupations	6,020	2%
Transportation occupations	5,925	2%
Material moving occupations	5,381	2%
Life, physical, and social science occupations	5,254	2%
Healthcare support occupations	4,994	2%
Community and social service occupations	4,081	1%
Health technologists and technicians	4,040	1%
Legal occupations	3,592	1%
Protective service occupations	3,330	1%
Farming, fishing, and forestry occupations	2,699	1%

Source: U.S. Census

▼ FIGURE 9

Resident Occupations as a Share of Philadelphia MSA, 2020

Occupation	Share
Farming, fishing, and forestry occupations	37%
Computer and mathematical occupations	14%
Architecture and engineering occupations	13%
Management occupations	13%
Business and financial operations occupations	12%
Life, physical, and social science occupations	12%
Arts, design, entertainment, sports, and media occupations	10%
Personal care and service occupations	9%
Educational instruction, and library occupations	9%
Average for all Occupations	**9%**
Civilian employed population 16 years and over	9%
Construction and extraction occupations	8%
Building and grounds cleaning and maintenance occupations	8%
Sales and related occupations	8%
Health diagnosing and treating practitioners and other technical occupations	8%
Food preparation and serving related occupations	8%
Office and administrative support occupations	8%
Legal occupations	8%
Installation, maintenance, and repair occupations	7%
Production occupations	7%
Community and social service occupations	6%
Health technologists and technicians	6%
Material moving occupations	6%
Transportation occupations	6%
Protective service occupations	5%
Healthcare support occupations	5%

Source: U.S. Census

Commuting Patterns

The number of workers who reside in the county and those who commute in is balanced.

Chester County's workforce is strongly linked to the rest of the Philadelphia region, as well as the Wilmington, Delaware area. Unlike many nearby counties, Chester County has a balance between residents who commute out of the county (143,014) and workers who commute into the county (144,284). Lancaster County is relatively self-contained, with county residents making up 69 percent of total employment. Delaware County serves more as a bedroom county with 63 percent of residents commuting out of the county for work.

Data for commuting data comes from the Census Longitudinal Employer-Household Dynamics Origin-Destination Employment Statistics (LODES) data, which releases one year behind other Census data.

▶ **FIGURE 10**

Commuter Patterns, 2019

County	Commute Into County	Commute Out of County	Live and Work In Same County
Chester County	**144,284**	**143,014**	**115,686**
Berks County	69,810	88,477	115,259
Bucks County	140,554	195,051	134,832
Delaware County	131,666	177,176	103,809
Lancaster County	78,393	87,999	171,039
Montgomery County	324,778	222,455	205,127
Philadelphia County	340,228	266,355	390,990

Source: U.S. Census Longitudinal Employer Household Dynamics

▶ **FIGURE 11**

Commuter Patterns Comparison, 2019

NORTHEAST COUNTY COMPARISON

Similar Northeast counties are generally more dependent on their major cities. The three comparison counties either import or export workers at a higher rate than they have workers who both live and work in the county.

	Net Workers Imported Into County (Inbound-Outbound)	Workers Living and Working in County (%)
Chester County	**1,270**	**29%**
Berks County	(18,667)	42%
Bucks County	(54,497)	29%
Delaware County	(45,510)	25%
Lancaster County	(9,606)	51%
Montgomery County	102,323	27%
Philadelphia County	73,873	39%

Source: U.S. Census Longitudinal Employer Household Dynamics

▼ FIGURE 12

Chester County Daily Commuter Flows 2019

MONTGOMERY

BUCKS

BERKS

39,549

5,130

10,006

4,321

34,994

7,504

CHESTER
COUNTY

18,364

PHILADELPHIA

14,977

LANCASTER

6,490

24,292

10,198

25,659

DELAWARE

PA
NJ

8,389

16,838

NEW CASTLE

DE
MD

DE
NJ

0   4   8   16
Miles
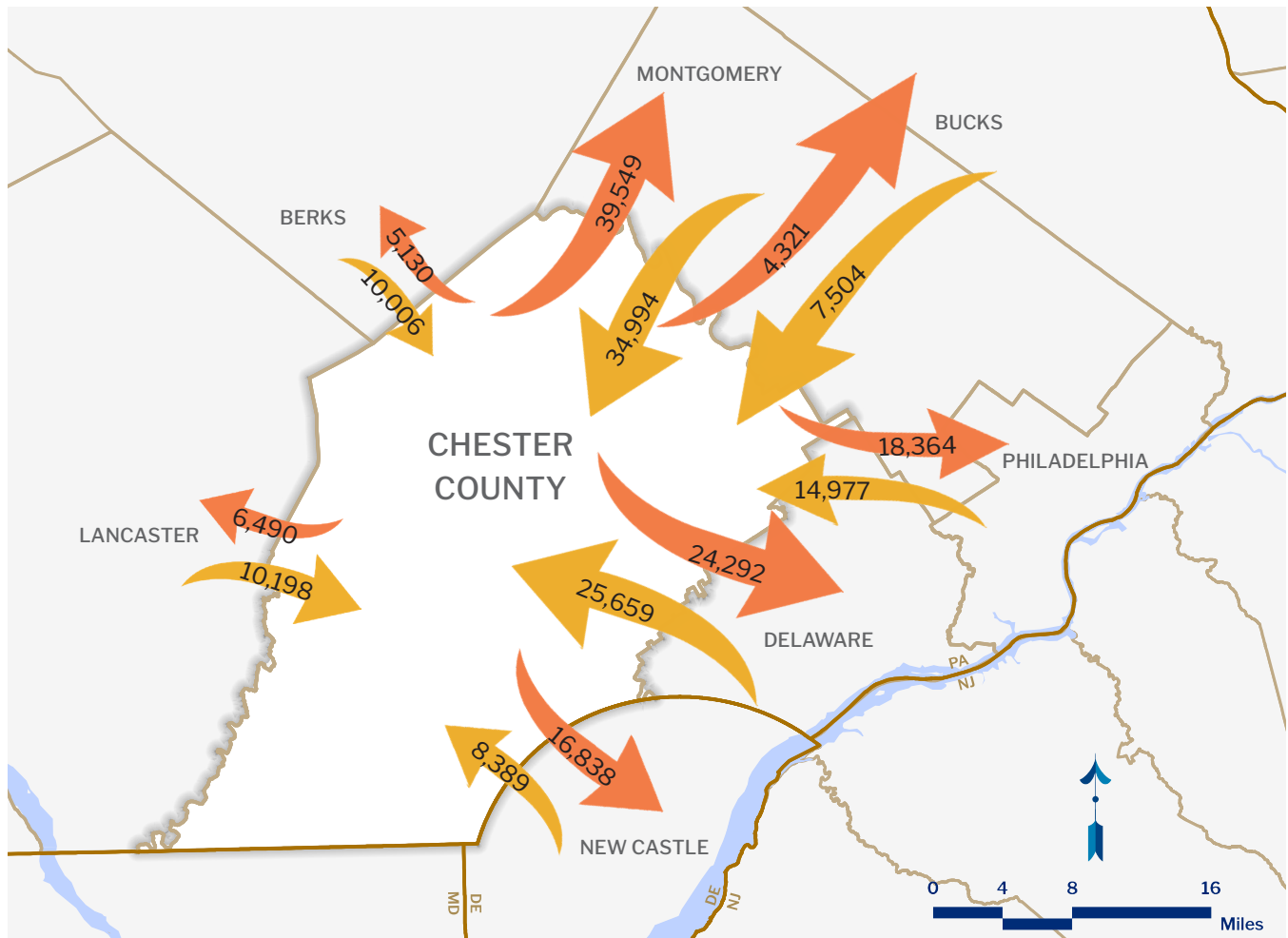
Source: U.S. Census Longitudinal Employer Household Dynamics

Daily commuter flows from Longitudinal Employer-Household Dynamics (LODES) data. Data includes jobs covered by unemployment insurance which excludes employment including (but not limited to) sole proprietors, unincorporated self-employed, and some agricultural workers.

Additional workers commute in and out of Chester County from other counties not shown.

Employed in Chester County, Live Outside	144,284
Live in Chester County, Employed Outside	143,014
Employed and Live in Chester County	115,686
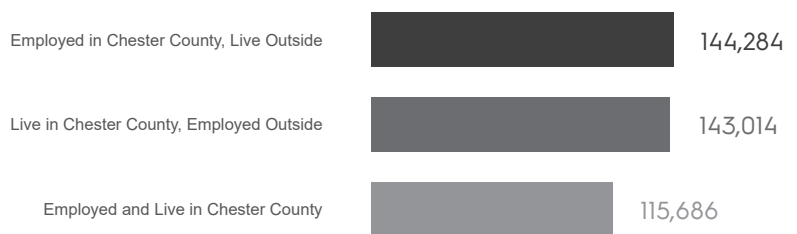
Household Income

Chester County has the highest median household income in the state.

Chester County has high household income compared to both Pennsylvania and the Philadelphia region. This reflects the high-paying professions of the county's residents and relatively high labor force participation. High housing costs also contribute to the high median income as lower income households are increasingly priced-out of the county. Chester County's median household income has been increasing - from $99,119 in 2018 to $102,016 in 2019, up to $104,161 in 2020.

▼ **FIGURE 13**

Chester County Household Income, 2020

	Number of Households	Percent of Households
Total	192,234	100%
Less Then 10,000	5,383	3%
$10,000 to $24,000	12,495	7%
$25,000 to $49,999	25,375	13%
$50,000 to $99,999	49,020	26%
$100,000 to $149,999	38,255	20%
$150,000 or More	61,707	32%

Source: U.S. Census

▼ **FIGURE 14**

Median Household Income Comparison, 2020
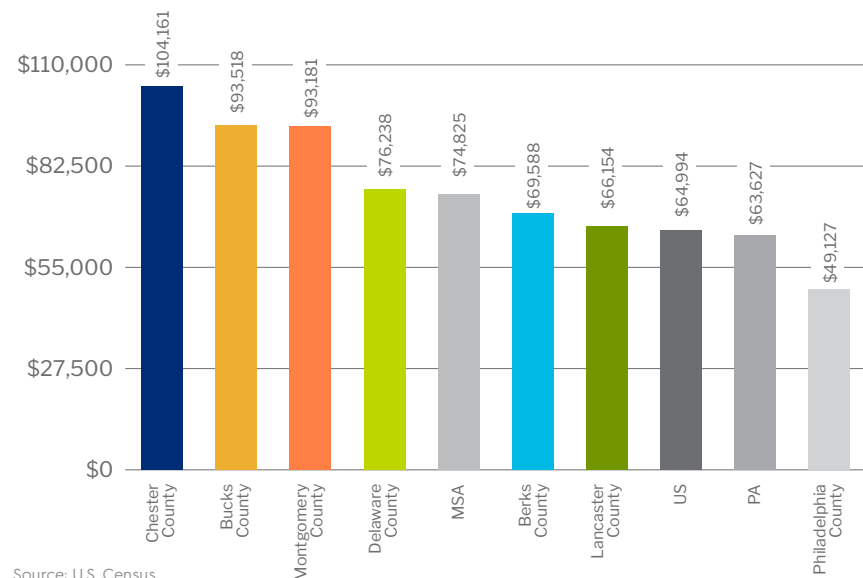
NORTHEAST COUNTY COMPARISON

Norfolk, Morris, and Prince William counties are all high-income places, and all three have higher household incomes than Chester County, with Morris having the highest median income in 2020 at $117,298. The higher income in comparison counties can be attributed to multiple factors including higher costs of living and greater employment in higher paying industries.

Chester County	Bucks County	Montgomery County	Delaware County	MSA	Berks County	Lancaster County	US	PA	Philadelphia County
$104,161	$93,518	$93,181	$76,238	$74,825	$69,588	$66,154	$64,994	$63,627	$49,127

Source: U.S. Census

Education and Race

Chester County has a greater percent of residents with a bachelors degree or higher than other local counties.

Chester County residents are highly educated; 54% have a bachelors degree or above. The educational attainment may correspond with the high income and managerial occupations of residents.

▼ **FIGURE 15**

Regional Educational Attainment, 2020

	Chester County	Berks County	Bucks County	Delaware County	Lancaster County	Montgomery County	Philadelphia County	Philadelphia MSA	PA	US
High school graduate or higher	**94%**	87%	94%	93%	86%	94%	86%	91%	91%	89%
Associate's degree or Higher	**61%**	35%	50%	47%	36%	57%	37%	46%	41%	42%
Bachelor's degree or higher	**54%**	26%	42%	40%	29%	50%	31%	39%	32%	33%

Source: U.S. Census. Percentages reflect population 25 years and older

Chester County has a predominantly white population but has been becoming more diverse over the past 30 years. The percentages of the population that are Black or African American are low compared to the Philadelphia-Camden-Wilmington MSA, Pennsylvania, and the US, while the percentages for all other races remain comparable. The percentage of the population that is of Hispanic or Latino Origin is lower than for the Philadelphia-Camden-Wilmington MSA and US, but it is comparable with that of Pennsylvania.

▶ **FIGURE 16**

Race and Hispanic Origin, 2020

	Chester County	Philadelphia MSA	PA	US
White	**76%**	59%	73%	58%
Black or African American	**5%**	20%	11%	12%
Asian	**7%**	7%	4%	6%
Two or more races	**4%**	4%	3%	4%
Some Other Race	**0%**	0%	0%	1%
American Indian and Alaska Native	**0%**	0%	0%	1%
Native Hawaiian and Other Pacific Islander	**0%**	1%	0%	0%
Hispanic or Latinx (of any race)	**8%**	10%	8%	19%

Source: U.S. Census

EMPLOYMENT CHARACTERISTICS

This chapter summarizes characteristics of workers in Chester County, who may be residents of the county or commute into the county.

2

Employees Working in County

Chester County's job growth from 2000-2021 was on-par with the US, and the third highest in the region.

With 239,949 jobs in 2021, Chester County saw a slight increase in employment from 2020 but had not returned to pre-pandemic employment figures. Chester County's annual rate of job growth (two percent) was in line with other counties in the region, which ranged from two to four percent year over year growth. Chester County had the highest growth rate when comparing 2001 employment levels to 2021 at 10%.

Job estimates vary based on data source. The U.S. Bureau of Labor Statistics (BLS) data used in this report for total, industry, and top industry employment includes all part-time or full-time workers who are paid a wage or salary. The BLS data excludes self-employed, proprietors, owners and partners in unincorporated firms, household workers, and unpaid family workers.

▼ **FIGURE 17**
Regional Employment

Year	Jobs									
	Chester County	Berks County	Bucks County	Delaware County	Montgomery County	Lancaster County	Philadelphia County	Philadelphia MSA	PA	US
2001	217,148	165,263	246,491	214,106	485,822	218,415	658,827	2,628,565	5,552,366	129,635,800
2011	236,419	163,061	248,599	206,520	460,486	217,314	629,902	2,573,776	5,535,283	129,411,095
2019	252,900	176,051	268,787	226,885	505,372	245,179	699,722	2,822,007	5,925,588	148,105,092
2020	235,940	161,217	243,896	207,104	471,470	229,975	641,189	2,611,007	6,147,813	139,106,969
2021	239,910	163,844	252,609	212,114	489,629	239,229	651,381	2,687,681	5,649,218	143,759,143
Change in Jobs	22,762	(1,419)	6,118	(1,992)	3,807	20,814	(7,446)	59,116	96,852	14,123,343
2001-2021	3,970	2,627	8,713	5,010	18,159	9,254	10,192	76,674	(498,595)	4,652,174
Change in Jobs 2020-2021	10%	-1%	2%	-1%	1%	10%	-1%	2%	2%	11%
Percent Change 2001-2021	10%	-1%	2%	-1%	1%	10%	-1%	2%	2%	11%
Percent Change 2020-2021	2%	2%	4%	2%	4%	4%	2%	3%	-8%	3%

Source: U.S. Bureau of Labor Statistics
Source data updated periodically, employment data accurate as of download dates.

▶ **FIGURE 18**

Percent Change in Employment 2001–2021

NORTHEAST COUNTY COMPARISON

Similar Northeast counties saw year over year job growth comparable to the Southeast Pennsylvania region at four to five percent. Ten year job growth varied, with Morris and Norfolk counties growing by 1 percent, while Prince William grew by 56 percent.
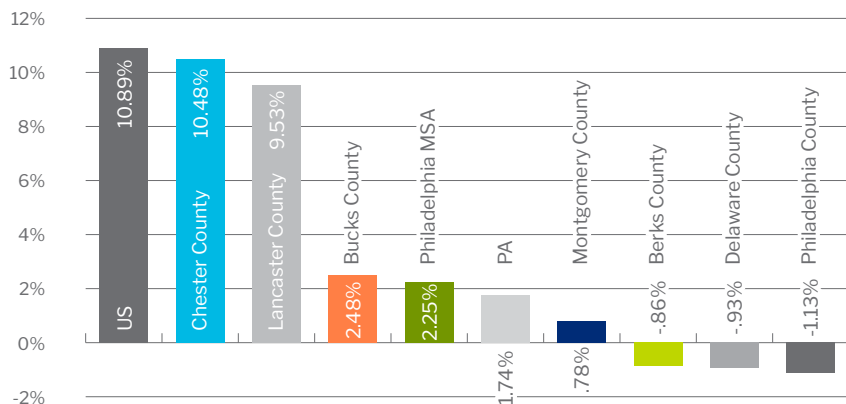
Source: U.S. Bureau of Labor Statistics

Employment by Industry

Chester County's employment is concentrated in service and professional industries.

Chester County's employment is broken into broad industry categories by the federal government called NAICS codes. Health care, professional service, retail, finance, and manufacturing employ the highest number of people in the county. Job totals can vary by source and year, and the most current data for detailed industry breakdown is from 2021.

▶ **FIGURE 19**

Employment by Major Industry, 2021

2-Digit NAICS Codes

NORTHEAST COUNTY COMPARISON

Morris, Norfolk, and Prince William Counties also have employment concentrations in service and professional industries.

	Chester County Employment	Percent of Total Chester County Employment
TOTAL	239,849	100%
Health care and social assistance	34,483	14%
Professional and technical services	25,358	11%
Retail trade	25,286	11%
Finance and insurance	22,069	9%
Manufacturing	17,069	7%
Educational services	16,864	7%
Accommodation and food services	14,216	6%
Construction	11,547	5%
Administrative and waste services	11,073	5%
Management of companies and enterprises	9,592	4%
Wholesale trade	8,870	4%
Other services, except public administration	8,098	3%
Transportation and warehousing	8,053	3%
Information	7,309	3%
Agriculture, forestry, fishing and hunting	4,858	2%
Public administration	4,579	2%
Arts, entertainment, and recreation	3,969	2%
Real estate and rental and leasing	2,981	1%
Utilities	594	0%
Mining, quarrying, and oil and gas extraction	139	0%

Source: U.S. Bureau of Labor Statistics

Chester County has an exceptionally high share of the state's employment in many industries. Agriculture has a particularly large share at 18 percent, due to the mushroom industry. Finance also has a large share at eight percent, largely due to Vanguard. Information, Management of companies and enterprises, and Professional and technical services all have large shares of Pennsylvania's employment, especially when compared to population size.

▼ **FIGURE 20**

County Percent of PA Employment

2- Digit NAICS Codes

Industry	Percent
Agriculture, forestry, fishing and hunting	18%
Finance and insurance	8%
Information	8%
Management of companies and enterprises	7%
Professional and technical services	7%
Arts, entertainment, and recreation	5%
Real estate and rental and leasing	5%
Construction	4%
Other services, except public administration	4%
Wholesale trade	4%
Average, all industries	**4%**
Retail trade	4%
Administrative and waste services	4%
Educational services	4%
Accommodation and food services	4%
Health care and social assistance	3%
Manufacturing	3%
Transportation and warehousing	2%
Public administration	2%
Utilities	2%
Mining, quarrying, and oil and gas extraction	1%

Source: U.S. Bureau of Labor Statistics

Looking more specifically at individual four-digit NAICS codes, the largest number of employees in 2021 were in elementary and secondary schools, other financial investment activities, and restaurants.

▼ **FIGURE 21**

Top 20 Specific Industries, 2021

2- Digit NAICS Codes

	Chester County Employment	Percent of Total Chester County Employment
Elementary and secondary schools	14,183	5.9%
Other financial investment activities	13,290	5.5%
Restaurants and other eating places	12,139	5.1%
Management of companies and enterprises	9,592	4.0%
Computer systems design and related services	8,044	3.4%
General medical and surgical hospitals	6,522	2.7%
Grocery stores	5,486	2.3%
Services to buildings and dwellings	4,674	1.9%
Scientific research and development services	4,122	1.7%
Management and technical consulting services	4,015	1.7%
Offices of physicians	3,986	1.7%
Individual and family services	3,871	1.6%
Continuing care, assisted living facilities	3,749	1.6%
Executive, legislative and general government	3,589	1.5%
Building equipment contractors	3,476	1.4%
Greenhouse and nursery production	3,403	1.4%
Other amusement and recreation industries	3,141	1.3%
Employment services	3,074	1.3%
Software publishers	3,004	1.3%
Insurance agencies and brokerages	2,965	1.2%

Source: U.S. Bureau of Labor Statistics

Wages by Industry

Chester County has the second highest average individual wage in the region.

Chester County had a high overall average wage in 2021 of $81,892, up from $78,802 in 2020. As many residents also work within the county, high wages likely contribute to the high household income. The county has the second highest annual average wage in Southeast Pennsylvania, only slightly lower than Montgomery County's $82,176 average annual wage, and is far higher than Pennsylvania or the U.S.

High Chester County wages are largely driven by the finance, real estate, management, and utilities industries. Other major industry sectors, such as education, health care, lodging, and food services have average wages closer to state and national figures.

▶ **FIGURE 22**

Wages by Major Industry, 2021
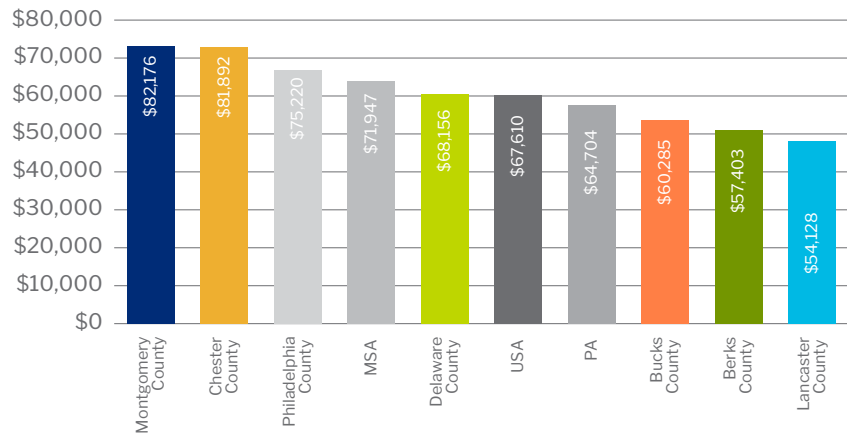
2-Digit NAICS Codes

Industry	Average Annual Wage		
	Chester County	**PA**	**US**
Average, all industries	**$81,892**	$64,704	$67,610.00
Management of companies and enterprises	**$191,309**	$147,011	$141,616.06
Utilities	**$150,697**	$104,960	$107,784.99
Finance and insurance	**$142,843**	$110,729	$131,462.03
Information	**$138,466**	$112,673	$147,707.31
Professional and technical services	**$124,773**	$108,806	$114,071.62
Wholesale trade	**$105,270**	$91,630	$90,341.17
Manufacturing	**$84,276**	$69,399	$76,618.43
Real estate and rental and leasing	**$81,173**	$69,738	$69,648.35
Construction	**$78,098**	$72,882	$69,607.30
Mining, quarrying, and oil and gas extraction	**$64,198**	$93,136	$109,414.33
Educational services	**$61,443**	$63,835	$58,181.34
Public administration	**$61,420**	$67,427	$72,905.24
Health care and social assistance	**$60,513**	$58,613	$59,362.36
Administrative and waste services	**$59,019**	$45,878	$50,211.42
Transportation and warehousing	**$56,078**	$54,666	$59,347.76
Agriculture, forestry, fishing and hunting	**$47,153**	$40,399	$41,845.72
Retail trade	**$45,489**	$35,151	$39,706.48
Other services, except public administration	**$40,057**	$40,502	$46,157.38
Arts, entertainment, and recreation	**$30,123**	$39,472	$45,368.70
Accommodation and food services	**$23,404**	$22,081	$25,800.13
Accommodation and Food Services	**$21,445**	$19,728	$22,913

Source: U.S. Bureau of Labor Statistics.

▶ **FIGURE 23**

Average Wages, 2021

NORTHEAST COUNTY COMPARISON

Similar counties in the Northeast are more dependent on neighboring large cities. Chester County's wage is high even compared to other high wage counties nationally. Morris, Norfolk, and Prince William Counties are also all located in high cost-of–living metropolitan areas, but only Morris County has a higher average wage than Chester County.

Source: U.S. Bureau of Labor Statistics

▶ **FIGURE 24**

Wages by Specific Industry, 2021

This table only includes 4-digit NAICS code industries with over 50 employees.

At $241,297, the other ambulatory health care services industry has an exceptionally high average wage compared to both PA and the US. This wage is likely due to the presence of corporate offices instead of active services in the county. Although slightly higher, the majority of the other high wage industries in the county generally track with PA and the US.

Industry	Average Annual Wage		
	Chester County	**PA**	**US**
Other ambulatory health care services	**$241,297**	$58,846	$56,941
Management of companies and enterprises	**$191,309**	$147,011	$141,616
Software publishers	**$172,709**	$162,145	$205,744
Scientific research and development services	**$164,774**	$155,161	$159,994
Other financial investment activities	**$155,468**	$169,734	$275,056
Commercial equip. merchant wholesalers	**$154,505**	$100,618	$125,222
Basic chemical manufacturing	**$153,784**	$95,818	$110,347
Pharmaceutical and medicine manufacturing	**$149,782**	$143,134	$127,320
Petroleum merchant wholesalers	**$141,285**	$76,523	$96,953
Data processing, hosting and related services	**$139,226**	$107,463	$154,321
Computer systems design and related services	**$138,400**	$124,591	$143,932
Insurance carriers	**$134,764**	$102,695	$104,636
Wired and wireless telecommunications carriers	**$133,949**	$122,482	$101,724
Nondepository credit intermediation	**$126,589**	$131,218	$124,498
Metal and mineral merchant wholesalers	**$125,724**	$91,579	$87,660
Management and technical consulting services	**$125,522**	$114,548	$110,142
Appliance and electric goods merchant whls.	**$123,325**	$94,382	$104,167
Electronic markets and agents and brokers	**$120,737**	$139,290	$116,885
Druggists' goods merchant wholesalers	**$115,410**	$151,765	$143,733

Source: U.S. Bureau of Labor Statistics

Automotive equipment, rental and leasing, and petroleum and coal products manufacturing were excluded from the table due to potential data inaccuracy.

County vs. National Trends

Chester County has strong competitive advantages in company management, agriculture, finance, and professional services.

Two analyses can help put Chester County's industrial mix into perspective. The first, location quotients, compares the Chester County industry ratio of total jobs to the national ratio. The second, shift share analysis, examines job change and removes the overall national rate of growth and national industry-specific rate of growth to estimate the amount of change caused by unique local conditions.

Employment Location Quotient by Industry

The employment location quotient compares the portion of jobs in an industry in Chester County with the portion of jobs in the nation. For industries where Chester County mimics the national ratio exactly, the location quotient will be 1. When the county has a higher share of jobs than the nation, the location quotient will be greater than 1. Location quotients higher than 1 indicate that the industry is exporting goods or services outside of the county. Location quotients of less than 1 mean the county has a lower share of jobs, which indicates that the county is importing goods or services from that industry

▼ **FIGURE 25**

Employment Location Quotient for Major Industries, 2021

2-Digit NAICS Codes

	Chester County	Berks County	Bucks County	Montgomery County	Delaware County	Lancaster County	Philadelphia County	PA
Total, all industries	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Management of companies and enterprises	2.46	1.83	0.73	1.95	0.00	1.11	1.08	1.50
Agriculture, forestry, fishing and hunting	2.32	1.90	0.25	0.15	0.03	1.43	ND	0.53
Finance and insurance	2.14	0.64	0.78	1.63	1.24	0.66	1.00	1.09
Professional and technical services	1.52	0.54	0.88	1.65	0.63	0.65	1.24	0.95
Information	1.48	0.23	0.63	0.98	0.43	0.45	0.74	0.77
Other services, except public administration	1.16	1.06	1.29	1.04	1.32	1.09	1.13	1.12
Arts, entertainment, and recreation	1.04	0.64	1.35	0.84	1.05	0.99	0.95	0.92
Retail trade	0.98	1.03	1.23	0.95	1.03	1.13	0.66	0.99
Health care and social assistance	0.95	1.08	1.31	1.10	1.30	1.09	1.70	1.22
Wholesale trade	0.93	0.88	1.28	1.12	0.72	1.27	0.49	0.91
Construction	0.91	0.83	1.23	0.95	1.02	1.37	0.33	0.88
Educational services	0.83	0.14	0.82	0.73	0.62	0.18	1.46	0.97
Manufacturing	0.83	2.09	1.22	1.05	0.74	1.78	0.33	1.12
Real estate and rental and leasing	0.79	0.68	0.73	0.99	0.74	0.61	0.98	0.72
Administrative and waste services	0.73	0.78	0.74	1.12	0.94	0.55	0.61	0.83
Transportation and warehousing	0.70	1.21	0.67	0.56	1.03	1.42	0.96	1.20
Accommodation and food services	0.70	0.80	0.93	0.66	0.85	0.86	0.82	0.83
Utilities	0.44	1.06	0.39	1.02	0.73	0.59	1.34	1.07
Public administration	0.37	0.51	0.38	0.40	0.60	0.35	1.43	0.79
Mining, quarrying, and oil and gas extraction	0.16	0.39	0.16	0.15	0.09	0.49	ND	1.05

Source: U.S. Bureau of Labor Statistics

NORTHEAST COUNTY COMPARISON

The mix of jobs in Morris and Norfolk Counties is similar to Chester County, with emphases on finance, management, and professional services, while Prince William County has strengths in retail, construction, and public administration.

Employment Location Quotient by Industry (continued)

The majority of specific industries with high location quotients fall into key industry groups identified by the Chester County Economic Development Council (additional information on page 51). Chester County has extraordinarily high location quotients for other financial investment activities and greenhouse and nursery production, indicating that the County is exporting these goods and services nationally and potentially internationally. Both nursery production and financial investment have multiple significant employers in the County, indicating Chester County has attracted and formed clusters of these industries. These cluster industries have generated spin-off industries such as agricultural chemical manufacturing, another industry with a high location quotient, a result of the strong mushroom industry in the county.

Other high location quotients are driven by one major employer. Examples of this include electronic shopping and mail-order houses with QVC, school and employee bus transportation with Krapf Transportation, and household appliance manufacturing with Lasko Products.

Chester County also showed strength in software, civic organizations, management of companies, medical and scientific research, development, and manufacturing.

▼ **FIGURE 26**

Employment Location Quotient for Specific Industries, 2021

This table only includes 4-digit NAICS code industries with over 50 employees.

	Employment Location Quotient							
	Chester County	Berks County	Bucks County	Montgomery County	Delaware County	Lancaster County	Philadelphia County	PA
Other financial investment activities	**15.3**	0.4	0.8	3.6	1.7	0.7	1.4	1.7
Greenhouse and nursery production	**11.7**	7.3	0.9	0.7	0.1	1.9	0.0	1.4
Communications equipment manufacturing	**5.6**	ND	ND	ND	ND	0.3	ND	0.9
Agricultural chemical manufacturing	**4.5**	ND	ND	ND	ND	0.9	ND	0.5
Electronic shopping and mail-order houses	**3.7**	ND	0.8	0.9	0.3	0.9	0.6	1.1
Software publishers	**3.2**	0.1	0.7	1.3	0.4	0.2	0.3	0.7
Household appliance manufacturing	**3.1**	ND	ND	ND	ND	ND	ND	0.2
School and employee bus transportation	**3.1**	2.6	1.3	2.2	2.0	2.9	1.3	2.8
Other animal production	**3.0**	0.7	0.8	0.4	0.0	4.0	0.0	1.0
Scientific research and development services	**2.9**	0.1	0.9	5.2	0.4	0.8	1.5	1.3
Civic and social organizations	**2.7**	2.5	1.4	1.4	2.0	1.5	1.0	2.1
Continuing care, assisted living facilities	**2.5**	1.7	3.1	2.2	3.1	5.2	0.6	1.8
Management of companies and enterprises	**2.5**	1.8	0.7	2.0	2.2	1.1	1.1	1.5
Other food manufacturing	**2.2**	1.4	0.2	0.4	0.1	2.6	0.8	1.4
Computer systems design and related services	**2.1**	0.3	0.5	1.4	0.5	0.3	0.6	0.8
Pharmaceutical and medicine manufacturing	**2.0**	0.0	1.8	9.5	0.7	0.9	0.7	1.6
Personal care services	**1.9**	1.6	2.7	1.8	2.4	1.3	1.3	1.4
Other nonmetallic mineral products	**1.8**	0.5	1.5	1.2	0.0	3.4	0.0	1.0
Data processing, hosting and related services	**1.7**	0.2	1.1	1.9	0.2	0.1	0.3	0.9
Facilities support services	**1.7**	0.9	0.9	1.3	4.0	1.3	2.0	1.2

Source: U.S. Bureau of Labor Statistics, ArcGIS Business Analyst data

Employment Shift Share Analysis by Industry

A shift share analysis removes the influence of national overall and industry employment changes from the actual local change that occurred, to estimate an "expected" local change in employees due to local factors. While not important in themselves, the "expected" local change numbers can be used to identify potential strengths and weaknesses at the local level. The analysis cannot identify the causes of the change at the local level. Unique local factors influencing employment change vary and may include:

Labor Force Specialization
The area may have a labor force with specific industry skills.

Educational Feeders
Schools and colleges can increase labor force specialization and generate spin-offs.

Local Assets
Local natural or historical characteristics may cause industry specialization.

Large Employers
Major employers opening, terminating employees, or closing in a local area will impact changes in employment.

Industry Clusters
Areas may develop strengths in an industry, which supports future growth in the industry.

Industry Support
Industries may open to support existing strong industries, such as produce distribution centers to support restaurants or farms.

Industry Externalities
Industries may develop to handle the externalities of other prominent businesses, such as compost as a result of farm refuse.

Technology Changes
Advances in technological efficiencies may cause decreases in employment at the local level.

Cost-Of-Living
Costs such as housing and transportation costs can assist or stymie industry growth.

Major Events
Events and festivals can cause increases in industry employment.

Population Growth
Local growth can increase demand for industries such as construction as new housing is needed.

Government Intervention
Local government policy, taxes, and assistance can grow or hinder industries.

Local Disaster
Natural disasters, epidemics, and man-made disasters at the local level can cause increases or decreases in employment.

National Clusters
Strong clusters in other areas of the country (such as tech jobs in California) may cause disproportionate national growth.

The analysis should be combined with additional analyses and local knowledge to understand the unique local factors influencing employment change. From 2015-2021 Chester County showed indications of strong employment growth due to local factors for: local messengers, finance (nondepository credit intermediation), educational support services, furniture and furnishing merchant wholesalers, and software publishers. Many of these are likely due to the existing strong software companies growing to meet the online learning and working needs caused by COVID-19.

▶ FIGURE 27

Specific Industries With Highest Indications of Growth Due to Local Factors 2015–2021

This table only includes 4-digit NAICS code industries with over 50 employees

Industry	Indications of Growth Due to Local Factors
Local messengers and local delivery	**Very High**
Nondepository credit intermediation	**Very High**
Educational support services	**Very High**
Furniture and furnishing merchant wholesalers	**Very High**
Software publishers	**Very High**
Other ambulatory health care services	**High**
Social advocacy organizations	**High**
Other crop farming	**High**
Oilseed and grain farming	**High**
Vegetable and melon farming	**High**
Cattle ranching and farming	**High**
Household goods repair and maintenance	**Medium**
Office furniture and fixtures manufacturing	**Medium**
Newspaper, book, and directory publishers	**Medium**
Advertising, pr, and related services	**Medium**
Other support services	**Medium**
Travel arrangement and reservation services	**Medium**
Information	**Medium**
Agricultural chemical manufacturing	**Medium**
Beer, wine, and liquor stores	**Medium**
Outpatient care centers	**Medium**
Forging and stamping	**Medium**
Motion picture and video industries	**Medium**
Coating, engraving, and heat treating metals	**Medium**
Other information services	**Medium**
Electronic equipment repair and maintenance	**Medium**
Commercial machinery repair and maintenance	**Medium**
Household goods repair and maintenance	**Medium**
Commercial and service industry machinery	**Medium**
Motion picture and video industries	**Medium**

Source: U.S. Bureau of Labor Statistic, ArcGIS Business Analyst data

Employment Shift Share Analysis by Industry (continued)

Chester County saw indicators of employment decline due to local factors largely in manufacturing and distribution industries. The industries with the highest indications of decline due to local factors from 2015-2021 were druggists' goods merchant wholesalers, machinery and equipment rental, semiconductor and electronic component manufacturing, warehousing and storage, medical and diagnostic laboratories, and commercial equipment wholesalers.

▶ **FIGURE 28**

Specific Industries With Highest Indications of Decline Due to Local Factors, 2015-2021

This table only includes 4-digit NAICS code industries with over 50 employees.

Industry	"Indications of Decline Due to Local Factors"
Druggists' goods merchant wholesalers	High
Machinery and equipment rental and leasing	High
Semiconductor and electronic component mfg.	High
Warehousing and storage	High
Medical and diagnostic laboratories	High
Commercial equip. merchant wholesalers	High
Hvac and commercial refrigeration equipment	Medium
Couriers and express delivery services	Medium
Petroleum merchant wholesalers	Medium
Pharmaceutical and medicine manufacturing	Medium
Waste treatment and disposal	Medium
Management and technical consulting services	Medium
Greenhouse and nursery production	Medium
Religious organizations	Medium
Waste collection	Medium
Medical equipment and supplies manufacturing	Medium
Other heavy construction	Medium
Motor vehicle and parts merchant wholesalers	Medium
Utility system construction	Medium
Resin, rubber, and artificial fibers mfg.	Medium
Electronic shopping and mail-order houses	Medium
Computer systems design and related services	Medium
Insurance carriers	Medium
Other ground passenger transportation	Medium
Individual and family services	Medium
Other information services	Medium
Specialized design services	Medium
Automotive equipment rental and leasing	Medium
Ag., construction, and mining machinery mfg.	Medium
Clothing stores	Medium

Source: U.S. Bureau of Labor Statistic, ArcGIS Business Analyst

BUSINESS CHARACTERISTICS

This chapter identifies basic business characteristics in Chester County, including major employers, number of establishments, and size of establishments.

3

Major Employers

Chester County's largest employers, by number of employees, include financial, online retail, governmental, hospital, educational, grocery, pharmaceutical, and computer companies and organizations.

▼ **FIGURE 29**

Major Employers, 2021

According to PA Department of Labor and Industry

1. **Vanguard Group Inc**
   Multiple Locations

2. **The Chester County Hospital**
   West Chester

3. **QVC Network Inc**
   West Chester

4. **County of Chester**
   Multiple Locations

5. **Main Line Hospitals Inc***
   Multiple Locations

6. **Federal Government**
   Multiple Locations

7. **Giant Food Stores LLC**
   Multiple Locations

8. **PA State System of Higher Education**
   Multiple Locations

9. **Downingtown Area School District**
   Multiple Locations

10. **The Devereux Foundation**
    West Chester

11. **Chester County Intermediate Unit**
    Downingtown

12. **West Chester Area School District**
    Multiple Locations

13. **Communications Test Design Inc**
    West Chester

14. **Wawa Inc**
    Multiple Locations

15. **Wal-Mart Associates Inc**
    Multiple Locations

16. **United Parcel Service Inc**
    Multiple Locations

17. **Comcast Cablevision Corp (PA)**
    Kennett Square

18. **State Government**
    Multiple Locations

19. **Wegmans Food Markets Inc**
    Multiple Locations

20. **Cerner Corporation**
    Malvern

21. **YMCA of Greater Brandywine Valley**
    Multiple Locations

22. **Allied Resources Medical Staffing**
    Exton

23. **Siemens Medical Solutions USA Inc**
    Malvern

24. **Tredyffrin/Easttown School District**
    Multiple Locations

25. **The Arc of Chester County**
    West Chester

26. **ACME Markets Inc**
    Multiple Locations

27. **Johnson Matthey Inc**
    West Chester

28. **De Lage Landen Financial Services**
    Tredyffrin

29. **Owen J Roberts School District**
    Multiple Locations

30. **The Pyle Corporation**
    West Chester

31. **George Krapf Jr & Sons Inc**
    Glenmoore

32. **Herr Foods Inc**
    Nottingham

33. **Phoenixville Hospital LLC**
    Phoenixville

34. **Unionville Chadds ford School District**
    Multiple Locations

35. **Janssen Research & Development LLC**
    Tredyffrin

36. **Phoenixville Area School District**
    Multiple Locations

37. **Progeon Limited**
    Exton

38. **Coatesville Area School District**
    Multiple Locations

39. **Target Corporation**
    Multiple Locations

40. **Certainteed LLC**
    Malvern

41. **West Pharmaceutical Services Inc**
    Exton

42. **Renal Treatment Centers Mid-Atlantic**
    Coatesville

43. **Lowe's Home Centers LLC**
    Multiple Locations

44. **Lincoln University**
    Lincoln University

45. **Avon Grove School District**
    Multiple Locations

46. **Bayada Home Health Care Inc**
    Multiple Locations

47. **Great Valley School District**
    Multiple Locations

48. **Collegium Charter School**
    Exton

49. **Bentley Systems Inc**
   Exton

50. **Main Line Healthcare***
    Multiple Locations

*Main Line Healthcare and Main Line Hospitals included as two organizations as per Pennsylvania Department of Labor data. Both organizations operate out of the same locations.

Source: Pennsylvania Department of Labor and Industry Center for Workforce Information & Analysis

▼ **FIGURE 30**

Major Employers, 2021 According to PA Department of Labor and Industry

Landscapes3
- Growth
- Rural Resource
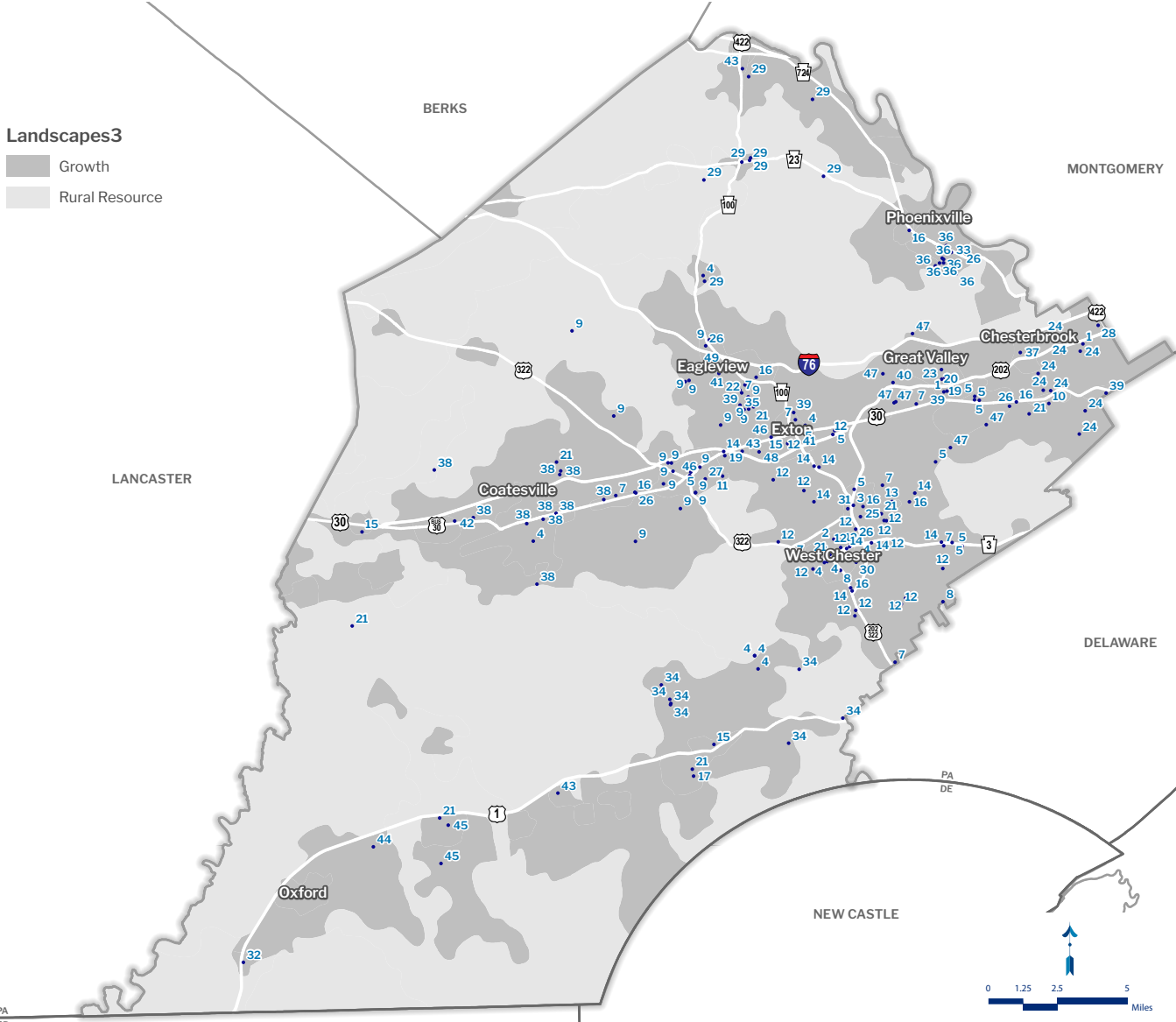
Source: ArcGIS Business Analyst

Employers by Industry

The largest number of establishments are in professional services, health care, other services, construction, and retail. These industries often have businesses with multiple establishments. The data excludes sole proprietors, for example a self-employed web designer who works from home would not be included in establishment counts.

▶ **FIGURE 31**

Employers by Industry, 2021

	Number of Chester County Establishments	Percent of County Establishments
Total, all industries	15,951	100%
Professional and technical services	2,571	16%
Health care and social assistance	1,880	12%
Other services, except public administration	1,534	10%
Construction	1,464	9%
- Retail trade	1,343	8%
Finance and insurance	1,018	6%
Accommodation and food services	1,000	6%
Administrative and waste services	984	6%
Wholesale trade	885	6%
Manufacturing	620	4%
Real estate and rental and leasing	613	4%
Educational services	410	3%
Transportation and warehousing	313	2%
Information	313	2%
Management of companies and enterprises	305	2%
Arts, entertainment, and recreation	272	2%
Agriculture, forestry, fishing and hunting	261	2%
Public administration	128	1%
Utilities	32	0%
Mining, quarrying, and oil and gas extraction	9	0%

Source: U.S. Bureau of Labor Statistics

▶ **FIGURE 32**

Establishments by Size

Only 16 of the county's establishments have over 1,000 employees. The vast majority have two to nine employees.

Number of Employees	Chester County Establishments	Percent of Chester County Establishments
All Establishments	14,784	100.0%
2 to 9	10,655	72.1%
10 to 49	3,240	21.9%
50 to 249	759	5.1%
250 to 999	114	0.8%
1,000 or more	16	0.1%

Source: U.S. Bureau of Labor Statistics
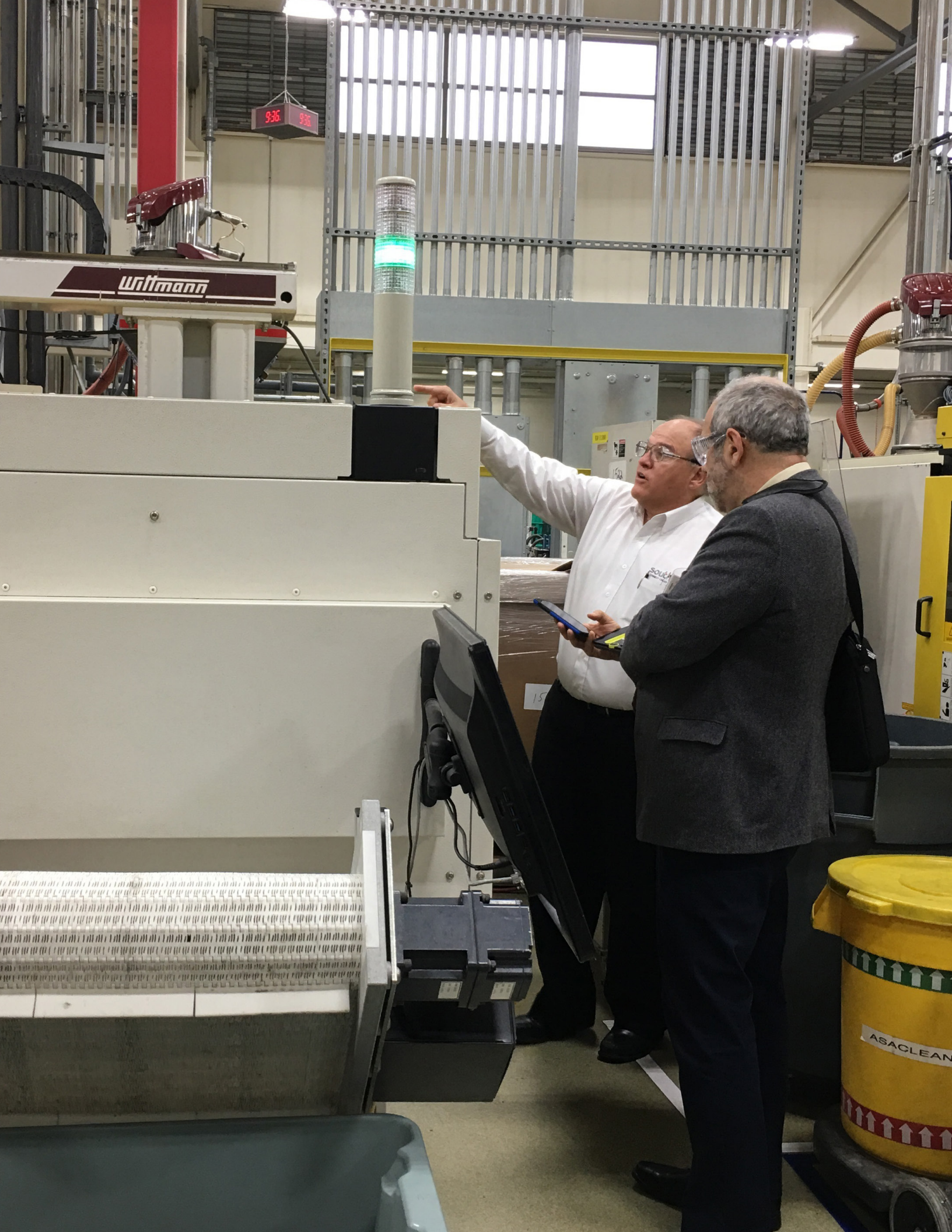
Establishments by Location

Chester County's businesses and other establishments are concentrated near population centers and transit nodes. These establishments are largely in or near the *Landscapes3* urban and suburban centers.

▼ **FIGURE 33**

Establishments by Location, 2022
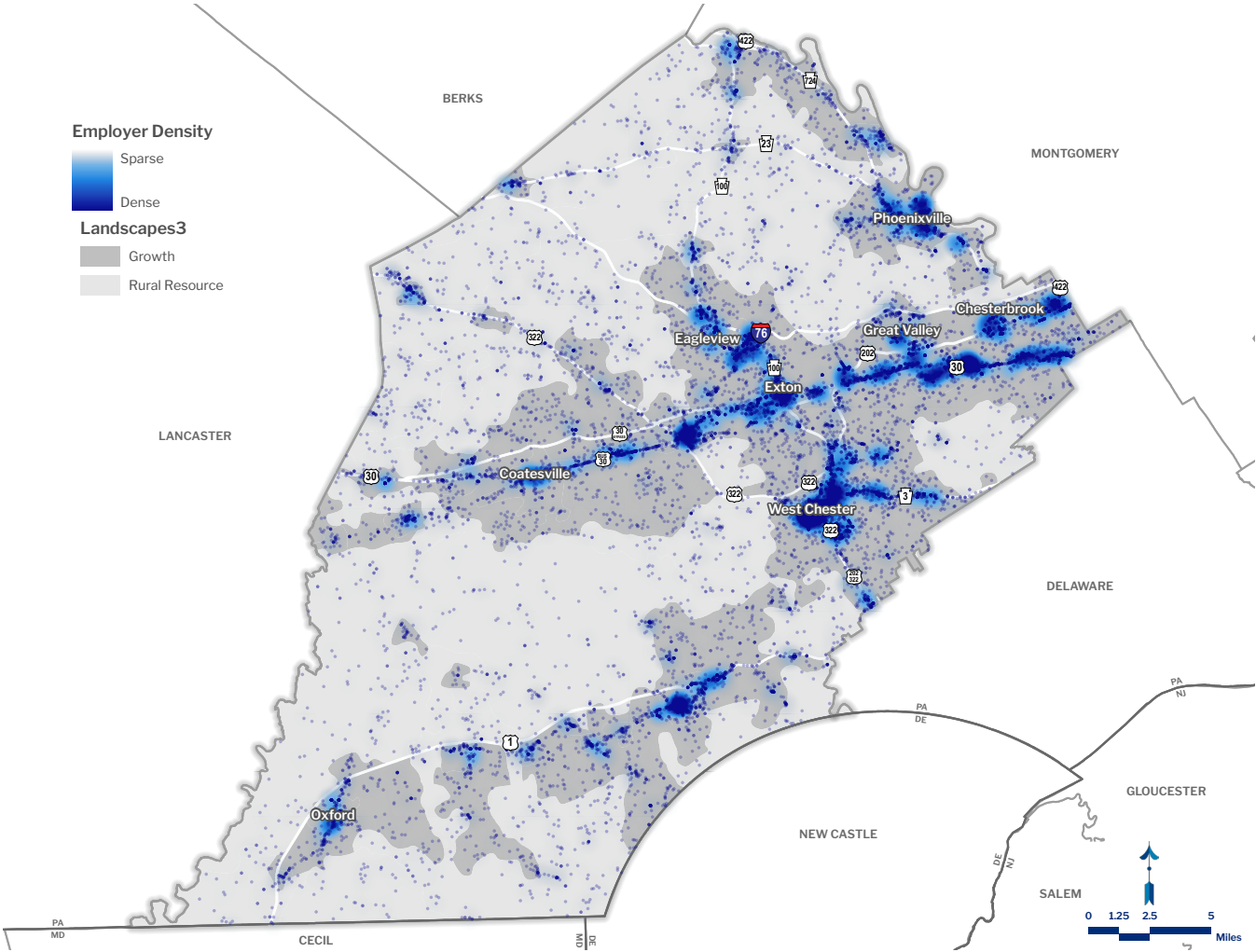
Source: ArcGIS Business Analyst

GROSS DOMESTIC PRODUCT

This chapter identifies Gross Domestic Product totals for counties and industries. Industries that lead in employment do not necessarily lead in Gross Domestic Product.

4

Gross Domestic Product

Chester County led its regional peers in GDP growth.

Gross Domestic Product (GDP) measures the estimated value of goods and services produced in an area. Real Gross Domestic Product is an inflation adjusted GDP. Chester County's Real Gross Domestic Product grew 54 percent over the last 19 years, growing from $27 billion in 2001 to $40.5 billion in 2020. Chester County outpaced the rate of growth of all the other Southeastern Pennsylvania counties. Philadelphia and Montgomery counties' Gross Domestic Product remained higher than Chester County's, mainly due to their significantly larger populations. Chester County has the third highest per capita GDP, behind neighboring Lancaster and Montgomery counties. Lancaster's per capita GDP is significantly higher than all other counties in the region.

NORTHEAST COUNTY COMPARISON

Chester County's Gross Domestic Product was about 86 percent of Norfolk and Morris counties and has been growing at a much faster pace. Prince William has a much smaller Gross Domestic Product, less than half the size of Chester County's, largely due to military being one of their leading industries.

▶ **FIGURE 34**

Real Gross Domestic Product 2020
(in thousands of real chained dollars)

Philadelphia County
Montgomery County
Chester County
Bucks County
Delaware County
Lancaster County
Berks County
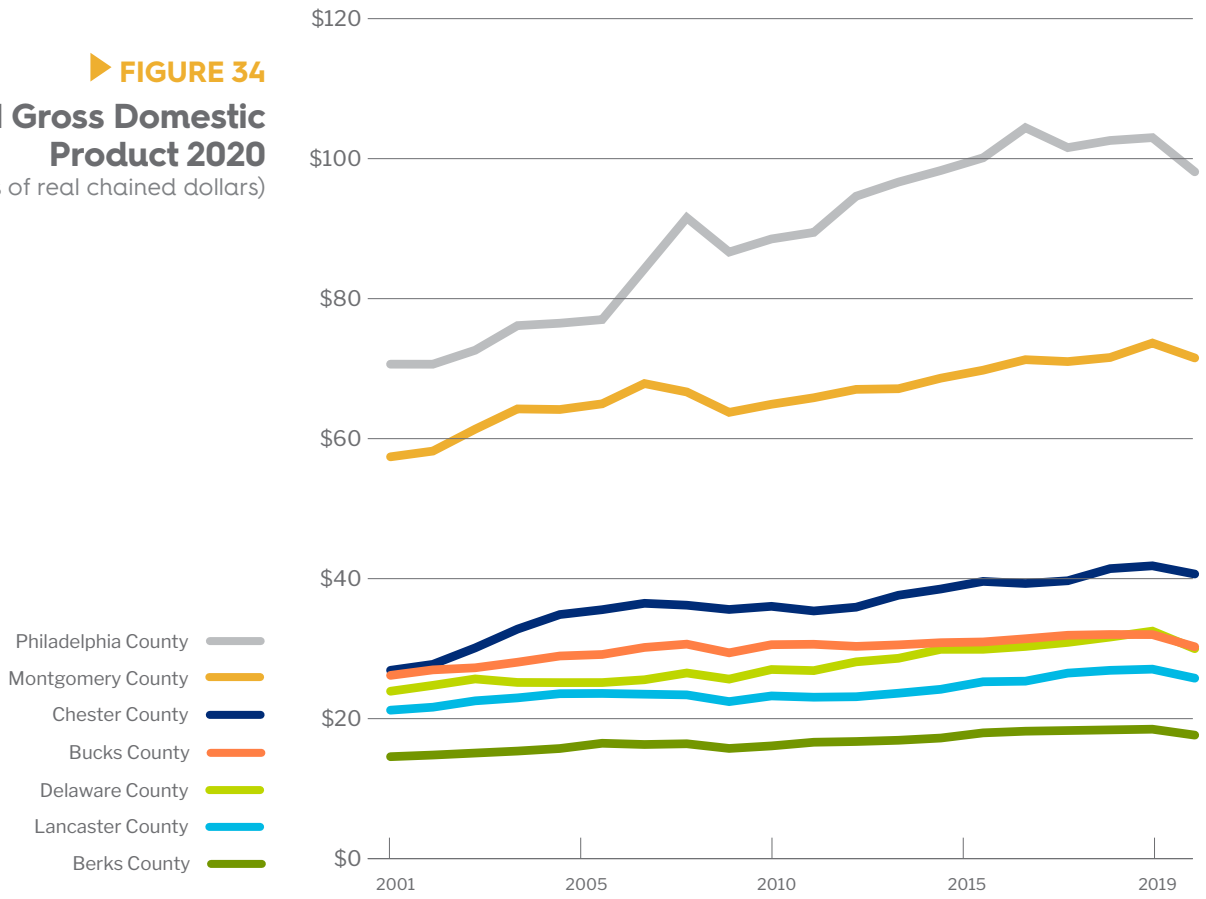
Source: U.S Bureau of Economic Analysis

Gross Domestic Product by Industry

In addition to employment and wages, the impact of an industry can be measured by Gross Domestic Product. Some industries have an exceptionally strong impact on Gross Domestic Product in relation to their number of jobs.

▶ **FIGURE 35**

Real Gross Domestic Product by Major Industry, 2020

Industry	Chester County Real GDP (in thousands)	Percent of Total
All industry total	**$40,528,345**	**100%**
Real estate and rental and leasing	**$5,544,646**	**14%**
Professional, scientific, and technical services	**$5,477,199**	**14%**
Information	**$5,169,899**	**13%**
Finance and insurance	**$4,192,118**	**10%**
Manufacturing	**$3,915,095**	**10%**
Wholesale trade	**$2,975,253**	**7%**
Retail trade	**$2,657,125**	**7%**
Government and government enterprises	**$2,196,851**	**5%**
Management of companies and enterprises	**$2,077,092**	**5%**
Health care and social assistance	**$1,989,156**	**5%**
Construction	**$1,181,104**	**3%**
Administrative and support and waste management and remediation services	**$817,751**	**2%**
Agriculture, forestry, fishing and hunting	**$754,593**	**2%**
Other services (except government and government enterprises)	**$529,202**	**1%**
Transportation and warehousing	**$427,958**	**1%**
Accommodation and food services	**$396,948**	**1%**
Educational services	**$364,711**	**1%**
Arts, entertainment, and recreation	**$201,984**	**0%**
Utilities	**$107,380**	**0%**
Mining, quarrying, and oil and gas extraction	**$27,889**	**0%**

Source: U.S. Department of Commerce Bureau of Economic Analysis

County vs. National Trends

Local factors in Chester County caused GDP growth in agriculture, utilities, real estate, and information.

The Real Gross Domestic Product of the county's agriculture, forestry, fishing and hunter sector grew dramatically between 2015 and 2020, the information and Utilities sectors also saw significant growth. When accounting for national total and industry growth, agriculture and utilities growth was likely due to local factors.

▶ **FIGURE 36**

Real Gross Domestic Product Shift Share Analysis, 2015-2020

Industry	Local Factors Causing Growth or Decline
All industry total	Decline ▼
Agriculture, forestry, fishing and hunting	High Growth ▲
Utilities	Growth ▲
Real estate and rental and leasing	Growth ▲
Information	Growth ▲
Arts, entertainment, and recreation	Growth ▲
Finance and insurance	Growth ▲
Mining, quarrying, and oil and gas extraction	Growth ▲
Retail trade	Decline ▼
Educational services	Decline ▼
Manufacturing	Decline ▼
Professional, scientific, and technical services	Decline ▼
Government and government enterprises	Decline ▼
Accommodation and food services	Decline ▼
Construction	Decline ▼
Management of companies and enterprises	Decline ▼
Other services (except government and government enterprises)	Decline ▼
Transportation and warehousing	Decline ▼
Health care and social assistance	Decline ▼
Administrative and support and waste management and remediation services	Decline ▼
Wholesale trade	Decline ▼

Source: U.S. Department of Commerce Bureau of Economic Analysis

KEY INDUSTRIAL GROUPS

This chapter describes nine key industry groups identified by the Chester County Economic Development Council as critical industry groupings.

5

Overview

The Chester County Economic Development Council has identified nine prominent industry groupings for Chester County:

· Agriculture & Food Production

· Education

· Energy

· Finance

· Health Care

· Information Technology

· Life Science

· Manufacturing

· Tourism and Hospitality

While not necessarily the largest industries by employment in the county, the key industries are critical for a variety of reasons, including the industry's relative strength, high profile for the business community and the public, importance for general economic development, or historic significance in the county. These data group categories from the federal Bureau of Labor Statistics that may overlap at times between the nine industries. The data includes estimates of sole proprietors and contract employees, which are particularly important in industries such as agriculture. The ratio of establishments with one person from the NETS 2013 data were used to estimate self-employed persons in 2021. Figures were adjusted to account for growth of self-employed persons from 2013 to 2021.

▼ **FIGURE 37**

Industry Group Comparison
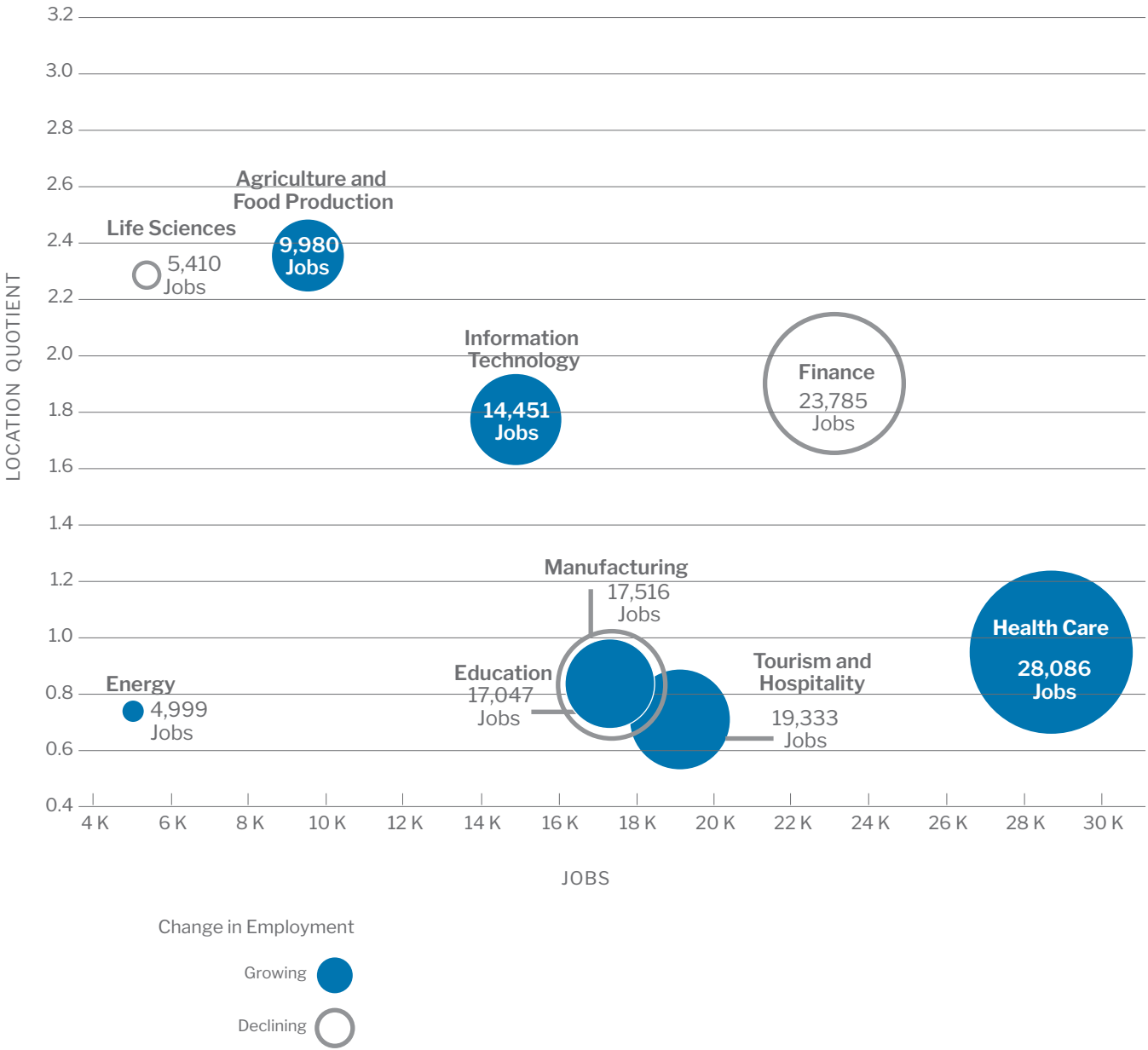
Key Industrial Groups value differ from data in other sections of this report due to the combination of multiples NAICS codes. For a list of NAICS codes used see page 88.

Agriculture and Food Production

Chester County has a long and distinguished history as an agricultural powerhouse. Chester County agriculture ranks 2nd among Pennsylvania's 67 counties in the value of agricultural products sold. This is due to the diversity of the industry, the fact that half of the nation's mushrooms are grown in the county, and the county's location near affluent markets for direct-to-consumer sales. The county's prime agricultural soils have positioned it to excel in the following industries: crop production, Christmas tree nurseries, forestry, landscaping, viticulture, and orchard and vegetable production. The county also has a significant amount of dairy, swine, poultry and egg production, and it is one of the most densely populated equine areas in the country. Chester County's unique indoor growing sectors, led by advancements in the mushroom sector, are cutting edge, as are advancements in greenhouse production and aquaculture. For this analysis, the agricultural industry is broadly defined as agricultural producers, food manufacturing, beverage manufacturing, agricultural chemical manufacturing, farm machinery manufacturing, agricultural wholesalers, fruit and vegetable stores, farm stores, and agricultural veterinary education/services. When compared with nearby Pennsylvania counties, Chester County has more employment directly in agricultural production than other counties, most likely due to the mushroom industry. Lancaster, Montgomery, and Philadelphia Counties have significantly more workers in food manufacturing than Chester County.

▶ **FIGURE 38**

Estimated Agricultural and Food Production Employment, 2021

Agricultural Industry, based on Bureau of Labor Statistics	9,046
Estimated Self Employed	534
Other (From estimated New Bolton Vet School)	400
Total	**9,980**

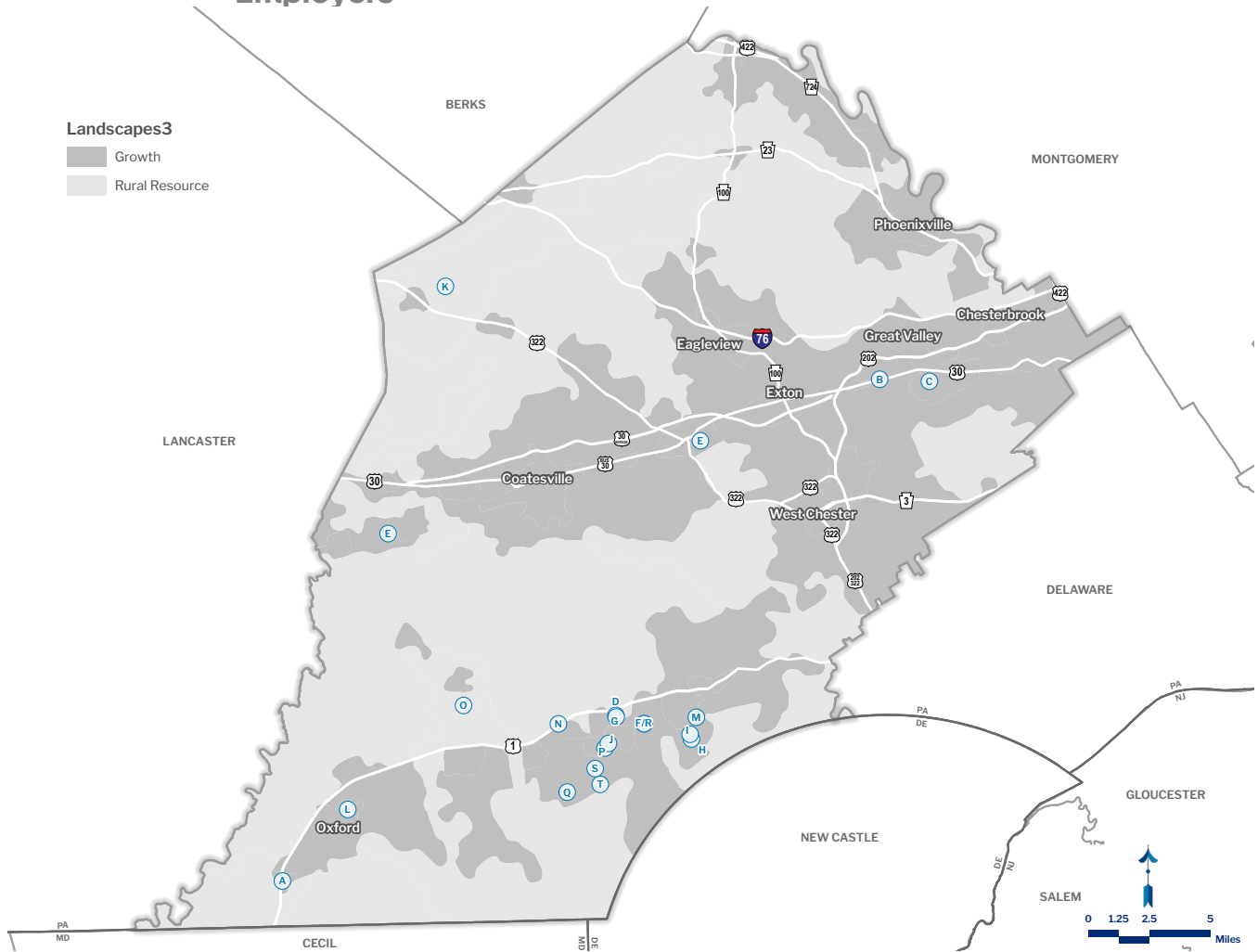Source: U.S. Bureau of Labor Statistics

National Trends

- The location quotient for 2021 agriculture and food production, broadly defined, is 2.34 up significantly from 1.35 in 2020. While the reason for the increase is unknown, the consistently high Location Quotient shows that agriculture and food production is strong in Chester County. It should be noted that, because sole proprietors and some agricultural workers are not in the BLS data, a place with corporate farming, like the mushroom industry, will show a higher location quotient.

- The shift share analysis for employment between 2015 and 2021 indicates local factors are having a positive impact on change in agricultural employment.

▼ **FIGURE 39**

Significant Agriculture and Food Production Employers

Chester County's significant agriculture-related employers are led by food and beverage manufacturers and mushroom growers and processors.

Source: ArcGIS Business Analyst

A. Herr Foods Inc

B. Strawberry Bakery

C. Green Circle Growers

D. Giorgio Fresh Co

E. Victory Brewing Co

F. Country Fresh Mushroom Co

G. Modern Mushroom Farms Inc

H. Phillips Gourmet Mushrooms

I. Phillips Mushroom Farms Inc

J. To-Jo Mushrooms Inc

K. Suplee Hollow Cereal

L. Tasty Baking Co

M. Kennett Square Specialties

N. C P Yeatman & Sons Inc

O. C T Bartoli Mushrooms Inc

P. Basciani Foods Inc

Q. Gourmet's Finest Mushroom Co

R. Country Fresh

S. J D Mushrooms

T. Kaolin Mushroom Farms Inc

Education

Chester County is known for having some of the best primary and secondary schools in the Commonwealth. Within the past few years, multiple Chester County schools were ranked in the top five best school districts in the state. Chester County is home to a variety of educational institutions, which include: 12 public school districts composed of 60 elementary schools, 19 middle schools, and 17 high schools; 95 private early childhood education/ elementary schools; 20 private high schools; 18 charter schools/online options; three technical college high school campuses; six colleges/universities; and numerous postsecondary education institutions. West Chester University, a state public school, is the largest university in the county and has been growing significantly. Uniquely, the county is also home to two historically Black colleges/universities, Cheyney University of Pennsylvania (the oldest HBCU in the country) and Lincoln University. Chester County is within the Philadelphia region, which is one of the most robust higher education areas in the country, with major universities like the University of Pennsylvania, Temple University, and Drexel University, and many well-established smaller colleges and universities, such as Villanova University, Haverford College, Bryn Mawr College, and Ursinus College. Philadelphia leads the region in education employment, with approximately 81,000 jobs, although some of these jobs may be health care related because of the way teaching hospitals, such as the Penn Health system, get classified.

▶ **FIGURE 40**

Estimated Education Employment, 2021

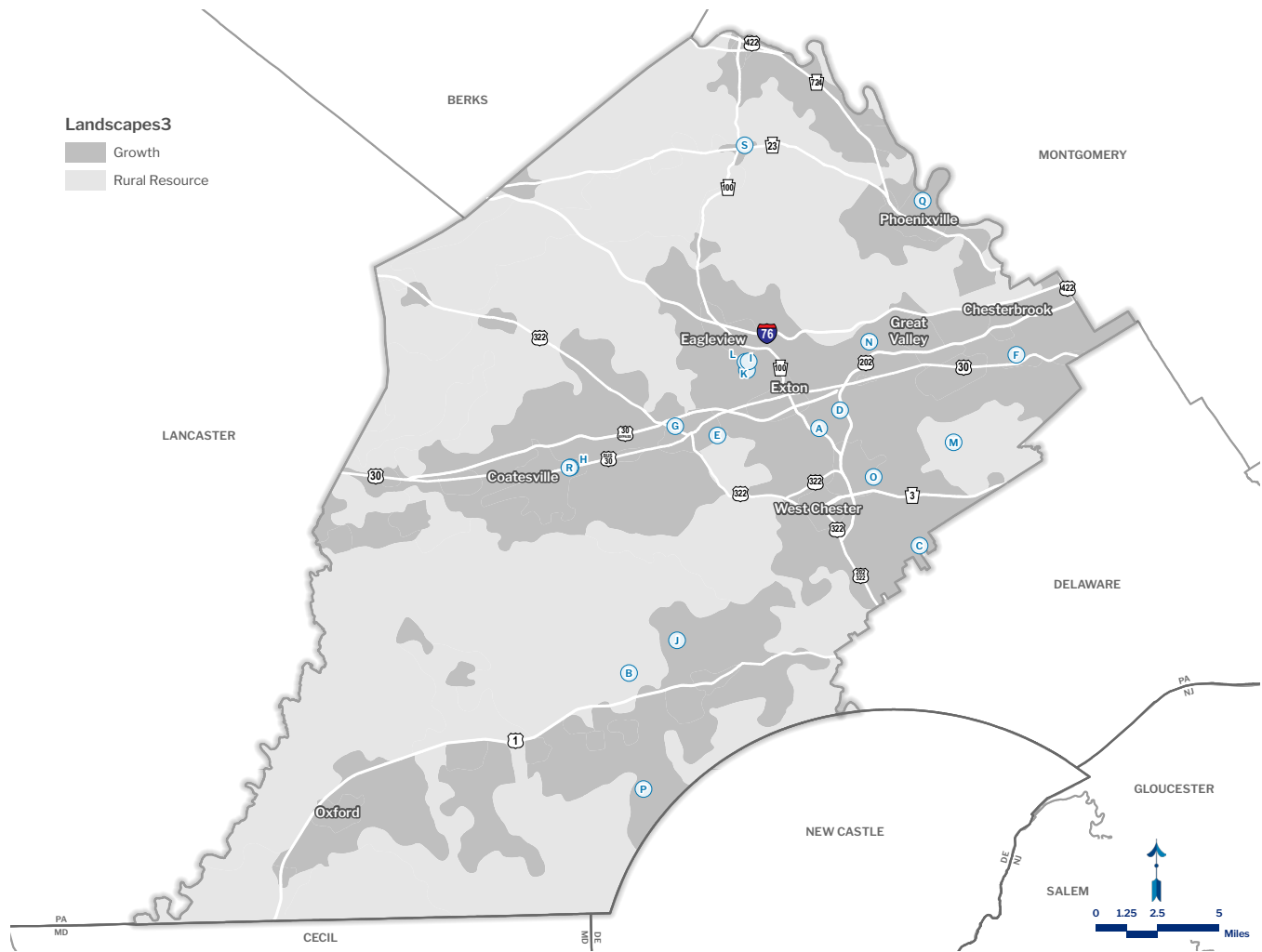|	
Education Industry, based on Bureau of Labor Statistics	16,864
Estimated Self Employed	183
Total	**17,047**

Source: U.S. Bureau of Labor Statistics

National Trends

- The location quotient for education is .83, which is relatively low compared to the nation. Philadelphia's location quotient, on the other hand, is 1.45, which reflects the city's role as a major education center for the country.

- The shift share analysis of employment between 2015 and 2021 indicates that local factors are having a positive impact on change in education employment, which has been declining nationally.

▼ FIGURE 41
Significant Education Employers

Chester County's significant education-related employees are a mix of different types of education providers, including special needs providers, universities, and school districts.

Landscapes3
- Growth
- Rural Resource

Source: ArcGIS Business Analyst

A. Children's Intellectual

B. New Bolton Ctr Sch-Vet

C. Cheyney University

D. Immaculata University

E. Chester County Intermediate

F. Conestoga High School

G. Downingtown High School West

H. Child & Career Development Ctr

I. Downingtown West High School

J. Unionville-Chadds Ford School District

K. Downingtown High School East

L. Lionville Middle School

M. The Institutes

N. Great Valley High School

O. East High School

P. Kennett Middle School

Q. Renaissance Academy

R. Coatesville Area Senior High

S. Owen J Roberts High School

Energy

The energy sector is a key part of any local economy, keeping businesses, homes, and institutions going. The sector includes electric power, energy production, and water supply/disposal. Alternative or renewable energy sources are an important and growing part of the energy sector, especially as the county works to reduce greenhouse gas emissions. These sources include solar, wind, geothermal, bio-energy, water, and energy efficiency improvements. For this analysis, the energy sector is broadly defined as utilities, utility system construction, electrical and wiring contractors, plumbing and HVAC contractors, petroleum merchant wholesalers, fuel dealers, pipeline transportation, and utility regulation. Chester County has less employment in the energy sector than nearby Pennsylvania counties. Montgomery County, with just over 13,500 employees in the sector, leads the region in energy employment.

▶ **FIGURE 42**

Estimated Energy Employment, 2021

|	
Energy Industry, based on Bureau of Labor Statistics	4,726
Estimated Self Employed	273
Total	**4,999**

Source: U.S. Bureau of Labor Statistics

National Trends

- The location quotient for energy, broadly defined, is .76, which is relatively low compared to the nation as a whole. Chester County has not historically been a major energy center.

- Despite the industry's growth in the county, the shift share analysis of employment between 2015 and 2021 indicates that local factors had a negative impact on energy employment change. Instead, national industry growth impacted local growth.

▼ FIGURE 43
Significant Energy Employers

Chester County's significant energy-related employees are related to the major energy providers and large contractor companies.
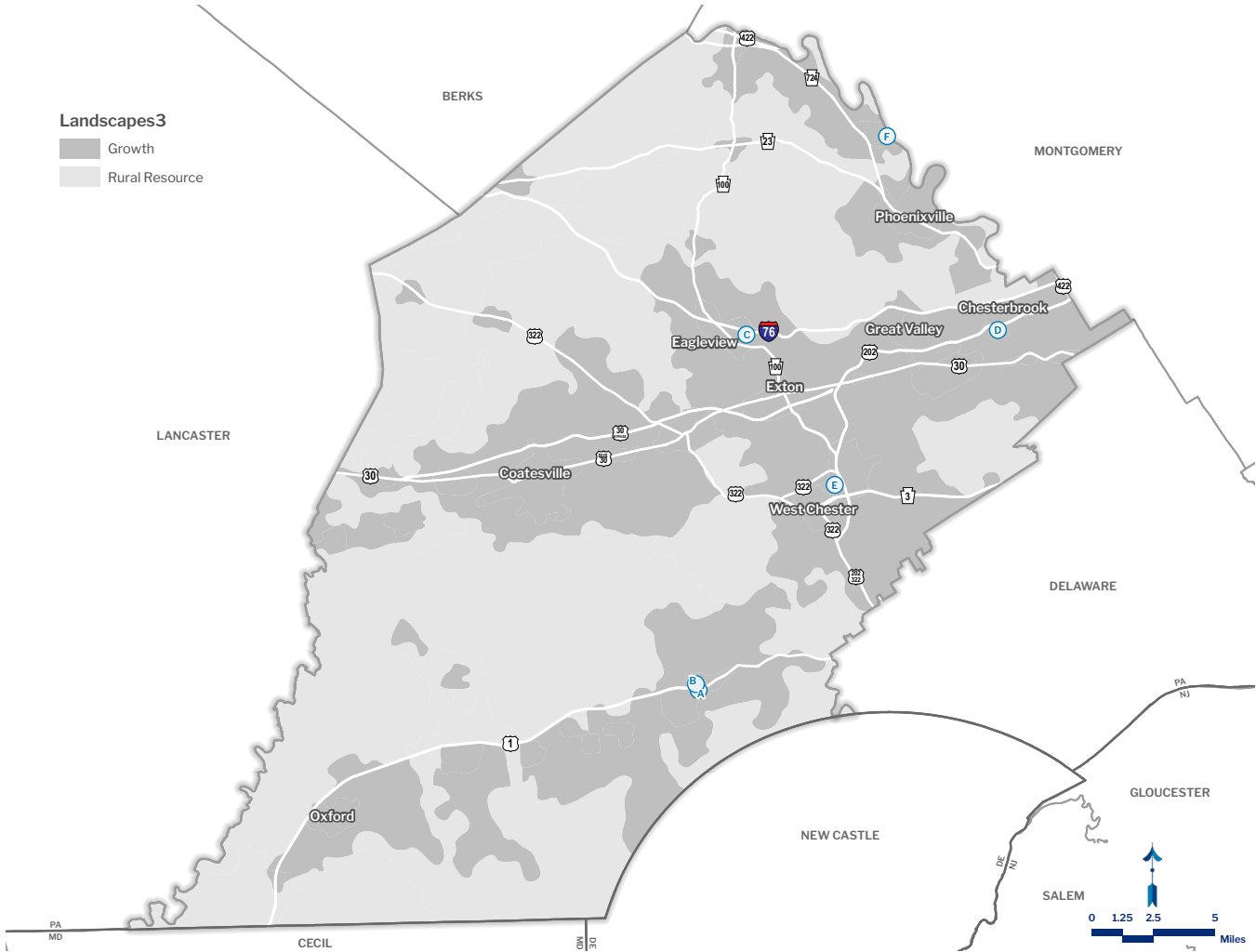
Source: ArcGIS Business Analyst

A. Exelon Generation Co Llc

B. Tri-M Group Llc

C. Servicemark Heating Cooling

D. Peco Energy Co

E. DDM Energy

F. Spring City Elect Mfg Co

Finance

Chester County is home to a very significant and strong financial industry, with considerable employment, high wages, and a strong Gross Domestic Product. The sector includes businesses involved with portfolio management, commercial banking, investment advisory services, mortgage and loan brokering, credit union banking, and secondary market financing. The largest financial industry business is Vanguard, which is also Chester County's largest employer. Vanguard has its global headquarters in Malvern, PA, and employs more than 8,000 people in Chester County alone. The finance industry is heavily concentrated around the central portion of the county including Wayne, Berwyn, Malvern, and West Chester. For this analysis, the finance sector is defined as finance, insurance, accounting, bookkeeping, and public finance. When compared with nearby Pennsylvania counties, Chester County has fewer employees than Montgomery or Philadelphia counties but has seen more growth in the financial sector than these places.

▶ **FIGURE 44**

Estimated Finance Employment, 2021

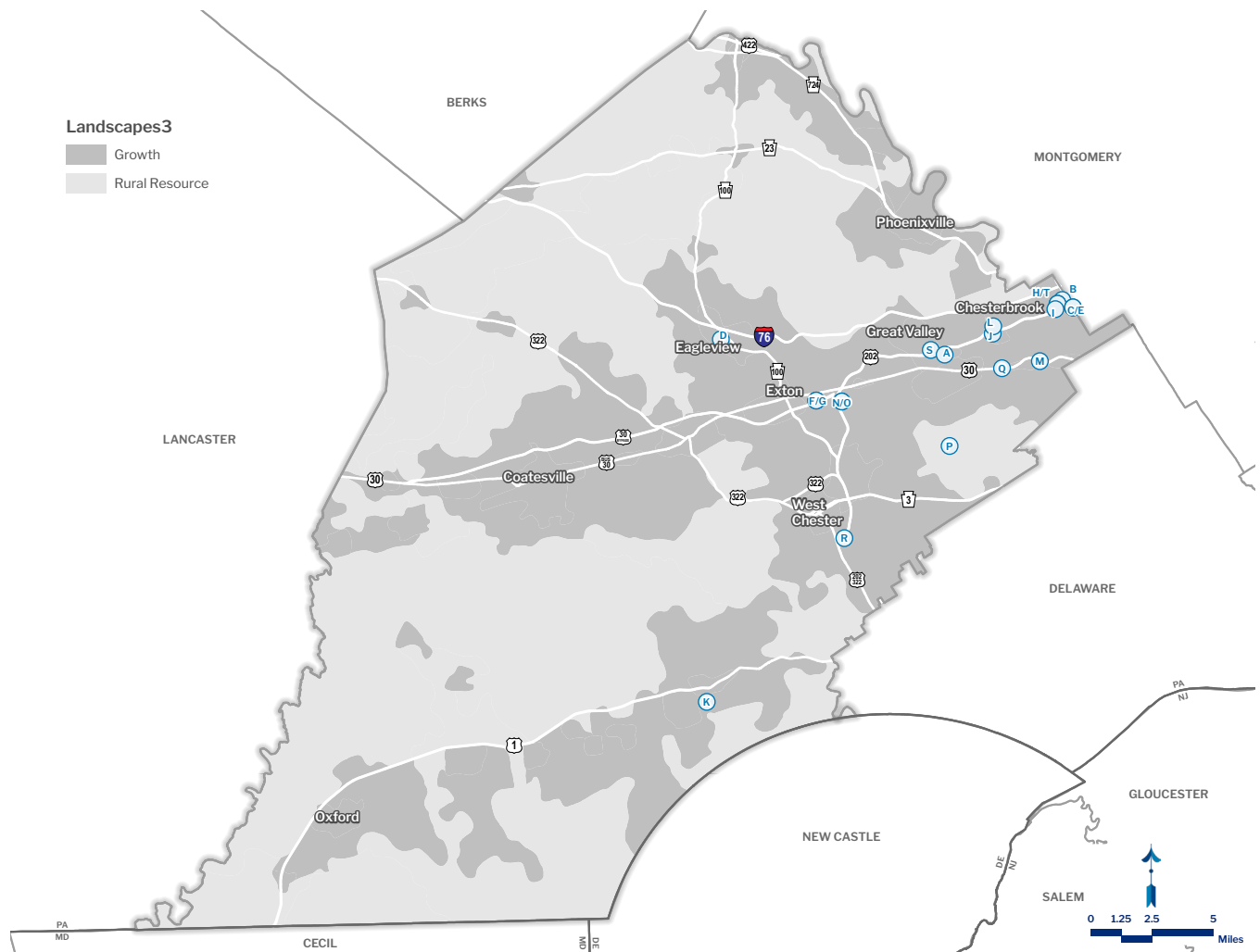|	
Finance Industry, based on Bureau of Labor Statistics	23,468
Estimated Self Employed	317
Total	**23,785**

Source: U.S. Bureau of Labor Statistics

National Trends

- The location quotient for finance is 1.87, which is high compared to the nation as a whole. This is also higher than nearby Pennsylvania counties.
- The shift share analysis of employment between 2015 and 2021 indicates that local factors are having a very large positive impact on finance employment growth in Chester County. Neighboring counties do not have similar increases. Chester County's strong growth is due to both Vanguard's exceptional growth and the strong financial cluster in the county.

▼ **FIGURE 45**
Significant Finance Employers

Chester County's significant finance-related employers include portfolio managers and investment services.

Source: ArcGIS Business Analyst

A. Vanguard Group Inc
B. De Lage Landen
C. US Investment Corp
D. XL Global Service
E. Usli Inc
F. Automated Financial Systems Inc
G. AFS Intercultural Programs Inc

H. HSB Inc
I. Radian Group Inc
J. Brinker Capital Securities Inc
K. Chatham Financial Corp
L. JG Wentworth Co
M. Trident Mortgage Company, LP
N. Primepay LLC

O. Primepay-Greater Philadelphia
P. American Institute for CPCU
Q. DFC Global Corp
R. Mallie LLP
S. DFG World Inc
T. Hartford Steam Boiler Inspection

Health Care

The Health Care industry is an important component of both the business and residential communities in Chester County. In non-urban settings, this sector can be overlooked, but it is the largest employment sector in the county. Health care includes hospitals, long-term care facilities (continuing care retirement communities, assisted living, and nursing homes), home health and hospice care, acute rehabilitation centers, emergency medical services, and professional medical offices. For this analysis, the health care sector is defined as hospitals, ambulatory health care services, nursing and residential care facilities, direct health and medical insurance carriers, home health equipment rental, and public health administration. Despite the need for health care workers caused by COVID-19, Chester County saw only a 4% increase in employment in the sector between 2015 and 2021. Although there has been recent growth in the health care sector, Chester County has fewer employees in health care than Delaware, Lancaster, Montgomery, or Philadelphia counties. Employment numbers are likely to be lower in 2022 after Tower Health closed the Brandywine and Jennersville Hospitals in early 2022.

▶ **FIGURE 46**

Estimated Health Care Employment, 2021

Health Care Industry, based on Bureau of Labor Statistics	27,860
Estimated Self Employed	226
Total	**28,086**

Source: U.S. Bureau of Labor Statistics

National Trends

- The location quotient for health care is .91, which puts the county a little below the nation as a whole. Philadelphia has a location quotient of 1.47 and is the regional leader in health care.
- The shift share analysis of employment between 2015 and 2021 indicates that local factors are negatively impacting health care employment change in Chester County; despite growth nationally in the industry.

▼ **FIGURE 47**
Significant Healthcare Employers

Chester County's significant health care-related employers are led by hospitals, followed by senior-oriented nursing and assisted living facilities.

Landscapes3
■ Growth
□ Rural Resource
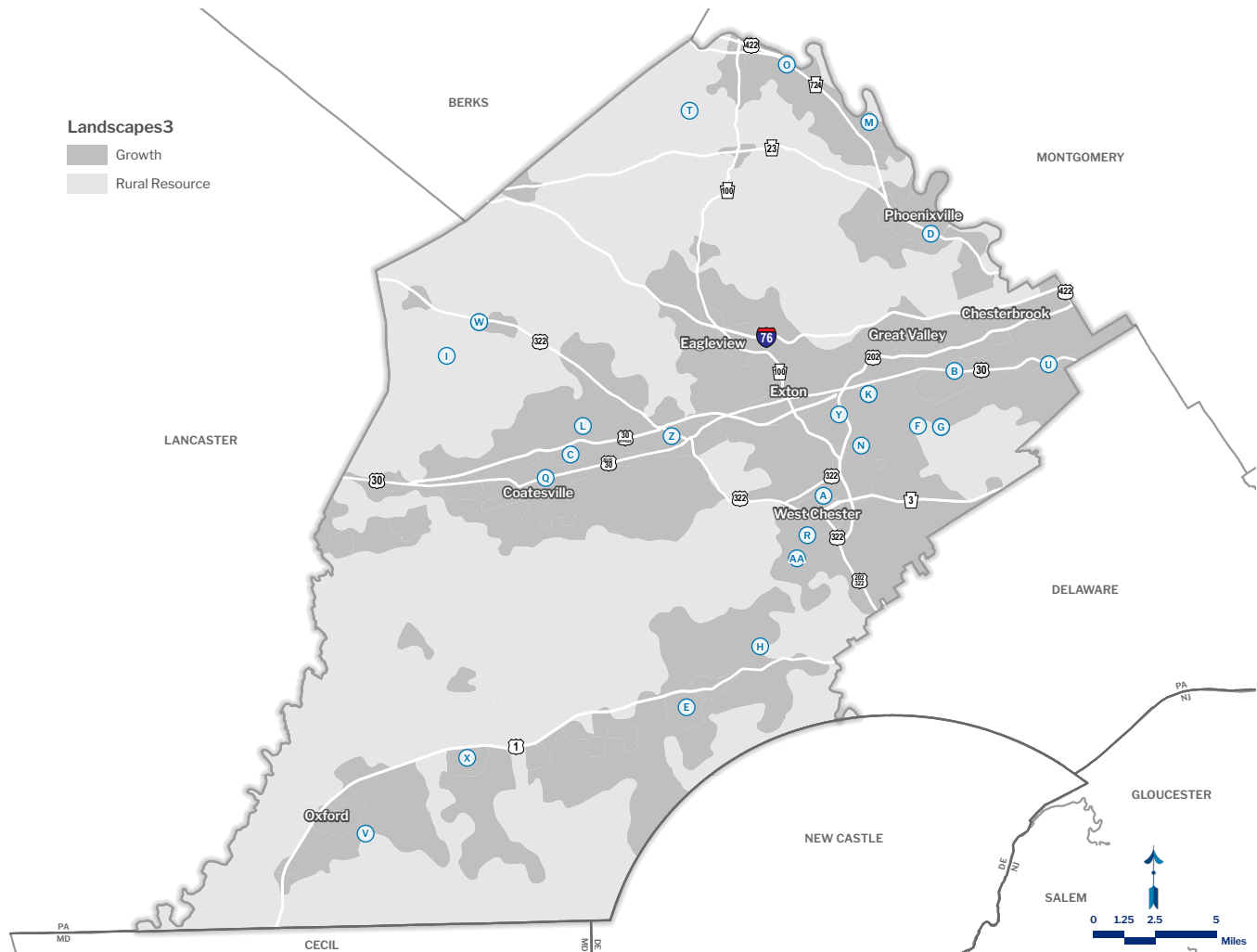
Source: ArcGIS Business Analyst

A. Chester County Hospital	**J.** Devereux Children's Behavorial	**S.** Camilia Hall
B. Paoli Hospital	**K.** Camilla Hall Nursing Home	**T.** Coventry Manor Nurshinghome
C. Coatesville Veterans Affairs	**L.** Freedom Village At Brandywine	**U.** Devon Manor
D. Phoenixville Hospital	**M.** Southeastern Veterans Ctr	**V.** HCR Manorcare Inc
E. Genesis Healthcare Inc	**N.** Wellington At Hershey's Mill	**W.** Honey Brook Med Investors LP
F. Bryn Mawr Rehab Hospital	**O.** Manatawny Manor	**X.** Jenner's Pond Inc
G. Devereux Foundation Beneto Ctr	**P.** Hickory House Nursing Home	**Y.** Sisters Servants
H. Kendal At Longwood	**Q.** Unique Aid	**Z.** St Marthas Manor
I. Tel Hai Retirement Community	**R.** Brandywine Hall	**AA.** United Methodist Home

Information Technology

Chester County is home to a robust tech community, with organizations that produce, process and distribute information as well as a broad set of industries that utilize information technology to run their businesses such as broadcasting, finance, healthcare, biotech and pharmaceuticals. Named the "Top Tech Hub" in Pennsylvania, Chester County has a high concentration of tech-related businesses. For this analysis, the information technology sector is defined as computer and electronic product manufacturing, computer and software merchant wholesalers, software publishers, data processing and hosting, internet publishing and web search portals, and computer systems design. Although Montgomery County has the most information technology employees in the area, Chester County has more employees in information technology than Delaware, Lancaster, or Philadelphia counties and has more employment concentrated in this industry. Recently, there has been a decline in information technology employment, which seems to be driven by changing employment at certain large companies.

▶ **FIGURE 48**

Estimated Information Technology Employment, 2021

Information Technology Industry, based on Bureau of Labor Statistics	14,187
Estimated Self Employed	264
Total	**14,451**

Source: U.S. Bureau of Labor Statistics

National Trends

- The location quotient for information technology is 1.75, which puts the county well above the nation as a whole and is the highest location quotient of nearby Pennsylvania counties.

- The shift share analysis of employment between 2015 and 2021 indicates that local factors are negatively impacting information technology employment change. This decline is driven by job losses in computer systems design; meanwhile, software publishing is growing, with employment nearly tripling between 2015 and 2021, increasing from 1,108 employees to 3,004.

▼ FIGURE 49

Significant Information Technology Employers

Chester County's significant information technology-related employers are led by larger computer systems design firms.
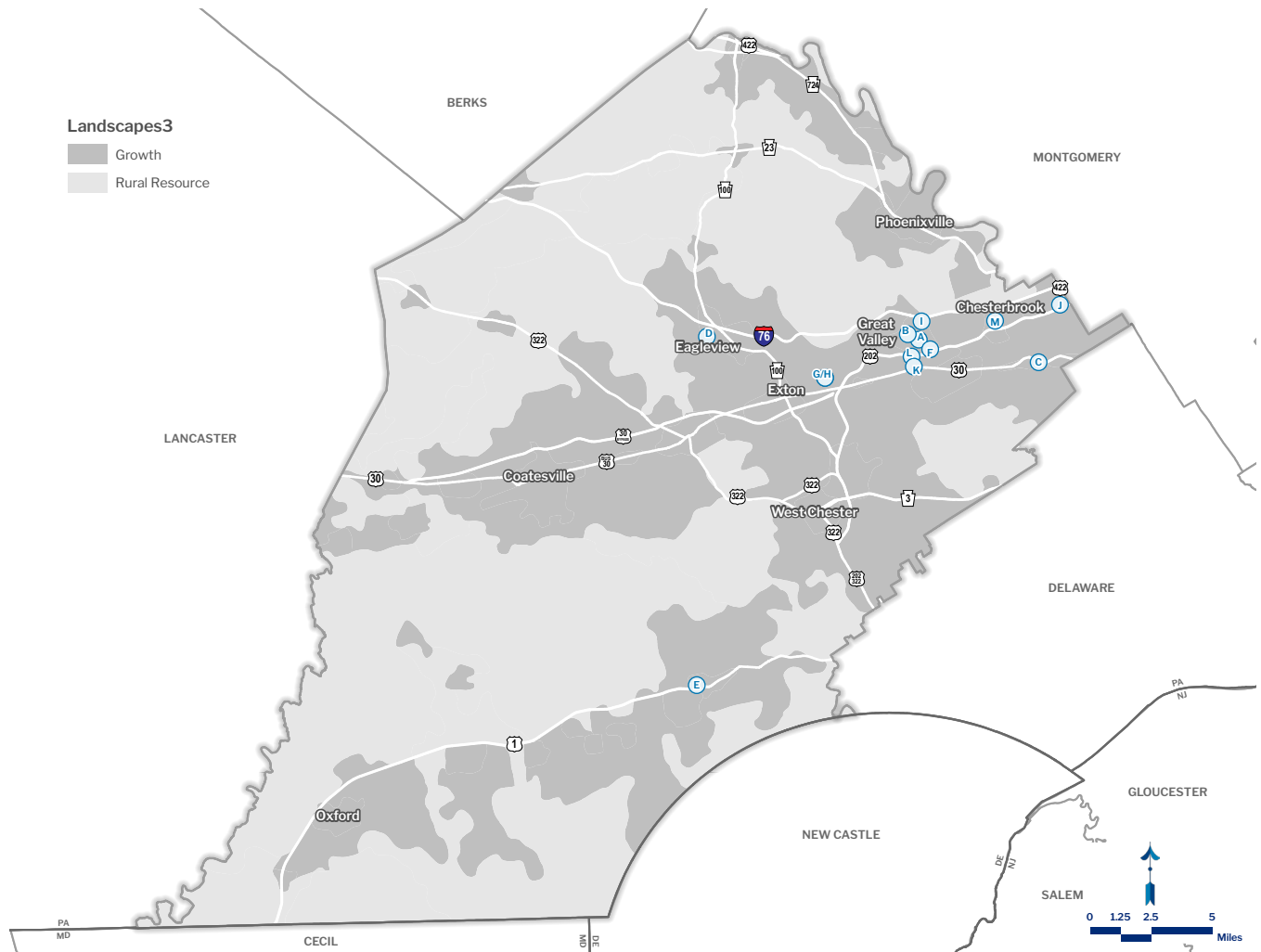
Source: ArcGIS Business Analyst

A. Cerner Corp

B. SunGard Higher Education

C. Decision One Corp

D. Bentley Systems Inc

E. Tri-M Electrical

F. DFC Global Corp

G. Analytical Graphics Inc

H. Home Net Automotive

I. Efector Inc

J. Nexxt

K. Vishay Intertechnology Inc

L. Cisco Systems

M. Wendover Financial

Life Sciences

Historically, Chester County had many life science businesses. After employment declines in the early part of the 21st century, Chester County is seeing growth in this sector again. The life science cluster includes biotechnology and pharmaceutical research, development, manufacturing, and distribution firms. For this analysis, the life science sector is defined as pharmaceutical and medicine manufacturing, research and development in biotechnology, medical equipment and supplies manufacturing, medical equipment wholesalers, ophthalmic goods merchant wholesalers, druggist goods merchant wholesalers, analytical laboratory instrument manufacturing, and medical and diagnostic laboratories. Although Montgomery County has the most life science employees in the area, Chester County has more employees in life sciences than Delaware or Lancaster counties. While in 2020 Chester County's employment in life sciences was higher, Philadelphia's employment grew between 2020 and 2021 to outpace Chester County.

▶ **FIGURE 50**

Estimated Life Science Employment, 2021

Life Sciences Industry, based on Bureau of Labor Statistics	5,399
Estimated Self Employed	11
Total	**5,410**

Source: U.S. Bureau of Labor Statistics

National Trends

- The 2021 location quotient for life sciences is 2.23, down from 3.07 in 2020, and 3.16 in 2018, which puts the county significantly above the nation as a whole. Montgomery County leads the region in this sector, with 25,149 employees in life sciences. Montgomery's 2021 location quotient increased from previous years to 5.1, far above the nation as a whole.

- The shift share analysis of employment between 2015 and 2021 indicates that local factors are negatively impacting life science employment change.

▼ **FIGURE 51**

Significant Life Sciences Employers

Chester County's significant life science-related employers are led by pharmaceutical companies.
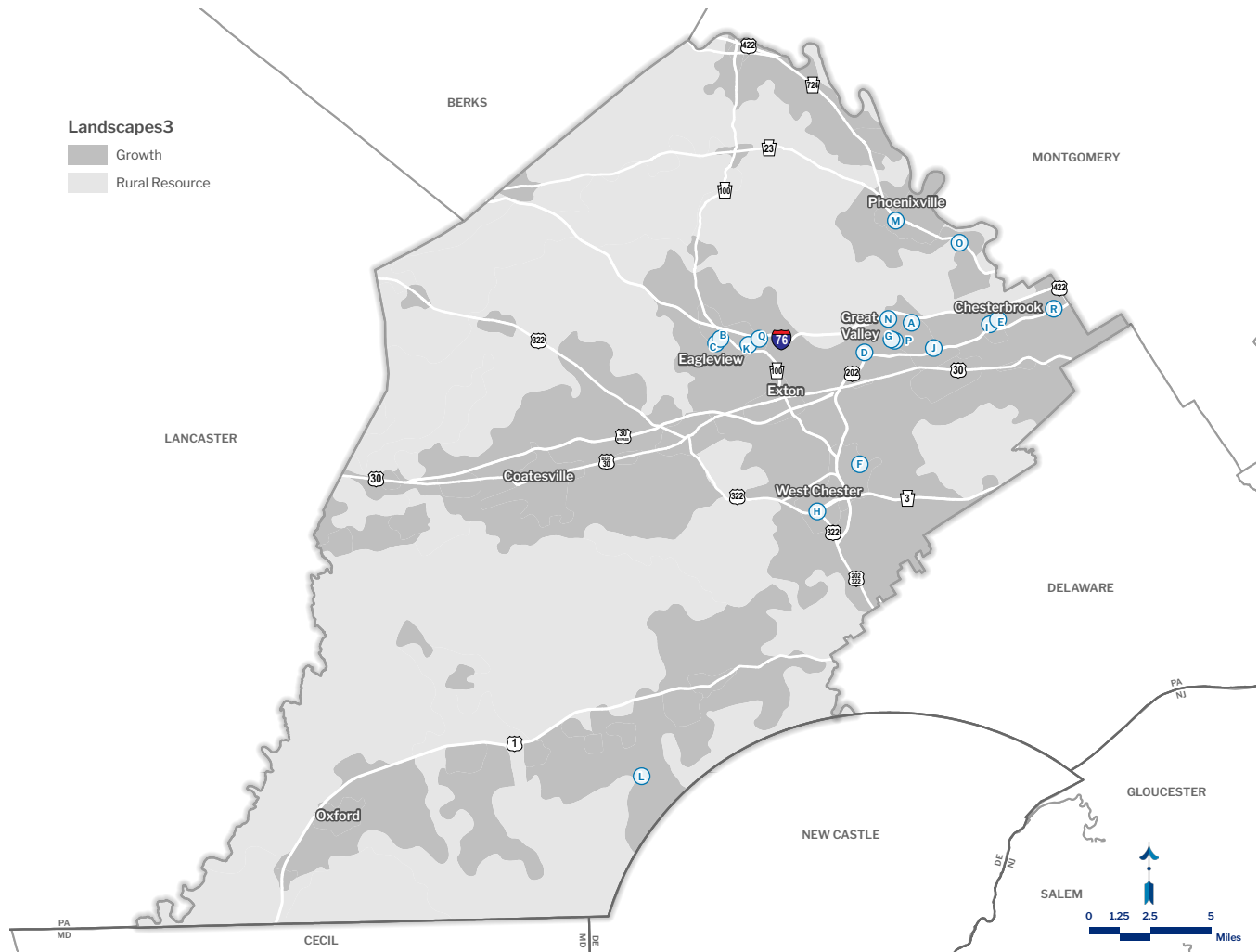
Source: ArcGIS Business Analyst

A.	Endo International	**H.**	Mallinckrodt Pharmaceuticals	**O.**	Environmental Standards Inc
B.	XL Catlin	**I.**	Amerisource Bergen Corp	**P.**	Fujirebio Diagnostics Inc
C.	West Pharmaceutical Svc Inc	**J.**	Biotelemetry Inc	**Q.**	Freedom Medical
D.	Teva Biologics & Spec Prod	**K.**	Agc Electronics Americas Inc	**R.**	Teleflex Inc
E.	Shire US	**L.**	W L Gore & Assoc Inc		
F.	Depuy Synthes Co	**M.**	Bilcare Inc		
G.	Janssen Pharmaceutica	**N.**	Neuronetics Inc		

Manufacturing

As the original home of the country's iron industry, Chester County has a long heritage of manufacturing and includes firms ranging in size from small to large, with an increasing number providing products to international markets. Industry specialization includes precision metal fabrication; electronic components and electronic products; telecommunications equipment supplies; medical products and devices, as well as medical product processing systems; food products, such as snack foods, beverages and baked goods; large blowers, compressors and control technology; chemical processing technologies, pharmaceutical ingredients and fabricated precision metal alloys. For this analysis, the manufacturing sector is defined as manufacturing and mining. A number of counties in the region have strong manufacturing sectors, but manufacturing is no longer a dominant industry in the regional economy. Chester County has seen declines in manufacturing employment, following national trends in this sector.

▶ **FIGURE 52**

Estimated Manufacturing Employment, 2021

Manufacturing Industry, based on Bureau of Labor Statistics	17,208
Estimated Self Employed	308
Total	**17,516**

Source: U.S. Bureau of Labor Statistics

National Trends

- The location quotient for manufacturing is .80, which puts the county below the national norm. Locally, Lancaster and Montgomery counties, with location quotients of 1.73 and 1.01 respectively, have higher shares of workers in manufacturing than the nation as a whole.

- The shift share analysis of employment between 2015 and 2021 indicates that local factors are significantly negatively impacting manufacturing employment change. Locally, only Lancaster and Montgomery Counties are seeing positive manufacturing employment growth due to local factors. Lancaster has seen growth in the manufacturing sector, but Montgomery County remains the leader in the state for manufacturing employment with nearly 45,000 employees.

▼ **FIGURE 53**
Significant Manufacturing Employers

Chester County's significant manufacturing-related employers are led by food processing but include a wide array of manufacturers

Source: ArcGIS Business Analyst

A. Herr Foods Inc

B. Strawberry Bakery

C. Lasko Products Inc

D. Mittal Steel USA

E. Graco Children's Products Inc

F. Arcelormittal

G. Certainteed Corp
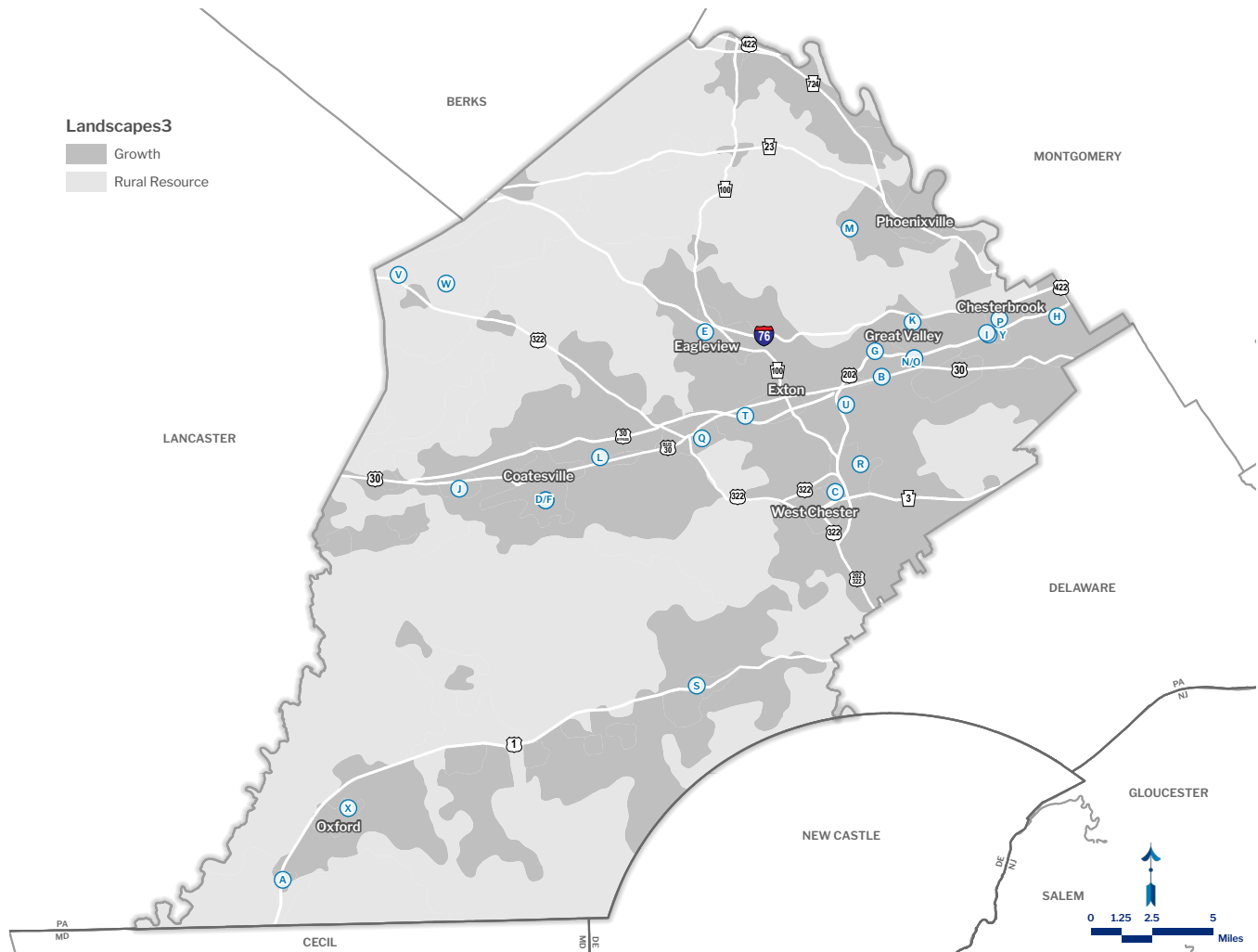
H. Johnson Matthey Inc

I. Hardinge Inc

J. Endo Pharmaceuticals Inc

K. Handi Crafters

L. Henry Co

M. Pq Corp

N. Ecovyst Inc

O. Shire Us

P. Victory Brewing Co

Q. Depuy Synthes Co

R. Tri-M Electrical

S. Idemia

T. Johnson Matthey Inc

U. R-V Industries Inc

V. Suplee Hollow Cereal

W. Tasty Baking Co

X. Te Connectivity

Tourism and Hospitality

The tourism and hospitality industry provides both job opportunities and recreational benefits for its residents. The county is home to Longwood Gardens, the most visited display garden in Pennsylvania and one of the most prominent in the country, as well as other arts and cultural museums, attractions, and event facilities. In addition, the county's main streets and villages attract many visitors to shop and dine. For this analysis, the tourism and hospitality sector is broadly defined as arts, entertainment, recreation, accommodation, food services, breweries, wineries, baked goods stores, gift stores, and travel services. Philadelphia, as a convention and tourism and hospitality hub, leads the region in this sector with 56,697 jobs, down from 77,000 in 2018. Prior to COVID-19, all of the region, including Chester County, had seen strong growth in this sector, possibly due to the region becoming more popular as a tourist destination. Tourism employment in 2020 declined drastically across the region, likely caused by COVID-19 related shut-downs, and has not fully recovered.

▶ **FIGURE 54**

Estimated Tourism and Hospitality Employment, 2021

Tourism and hospitality Industry, based on Bureau of Labor Statistics	18,930
Estimated Self Employed	403
Total	**19,333**

Source: U.S. Bureau of Labor Statistics

National Trends

- The location quotient for tourism and hospitality was .76, which puts the county well below the national norm. The region as a whole is below the nation as a whole for tourism and hospitality.

- The Shift Share analysis of employment between 2015 and 2021 indicates that local factors are negatively impacting tourism and hospitality employment, however, the decline was caused mainly by declines in the industry nationally. Chester County lost over 1,500 tourism related jobs between 2015 and 2021.

▼ FIGURE 55

Significant Tourism and Hospitality Employers

Reflecting the diversity of the industry and its tendency to have many smaller employers, Chester County's significant tourism-related employers are a mix of businesses, although hotels and restaurants are most common.
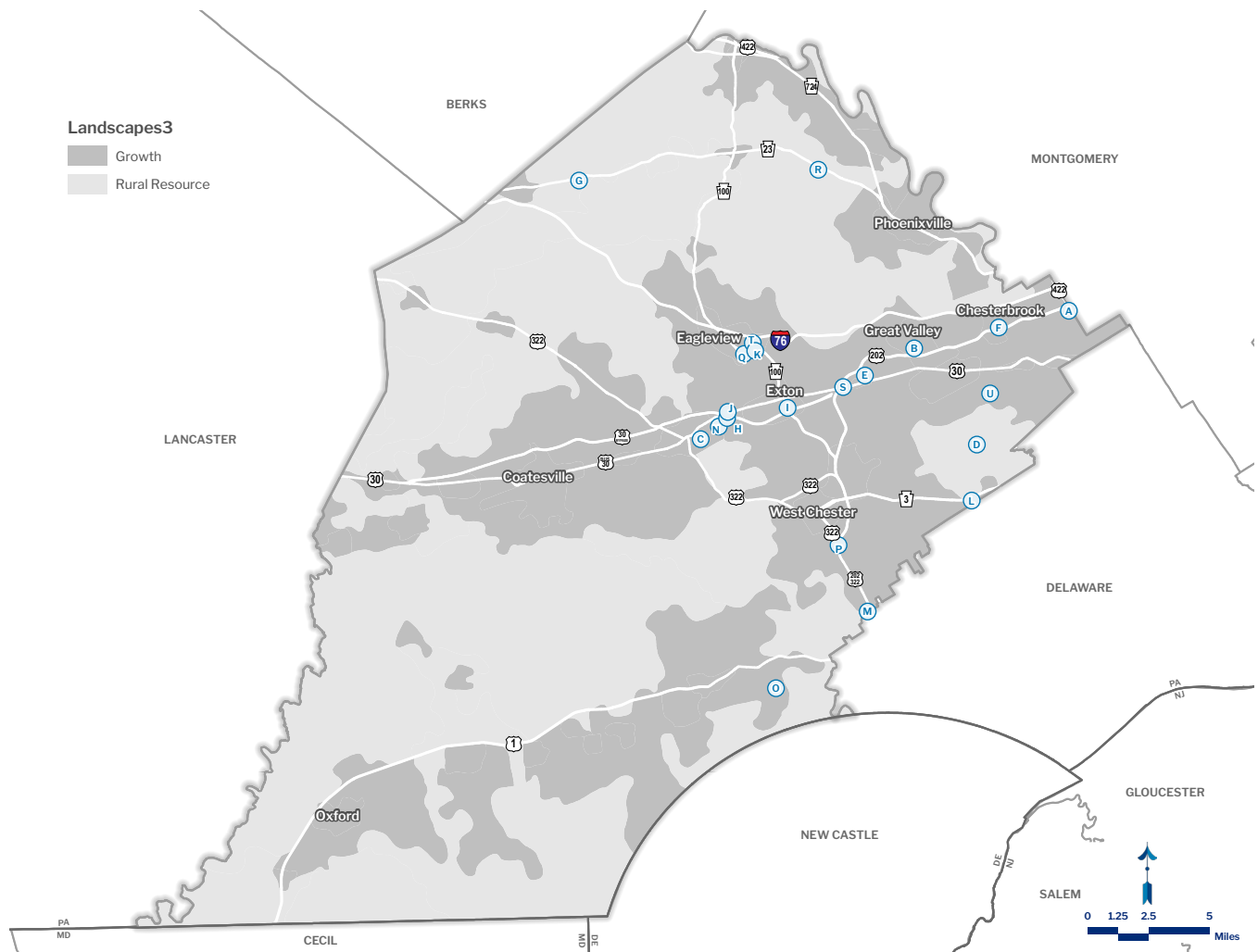
Source: ArcGIS Business Analyst

A. Kls Enterprises
B. Desmond Hotel Malvern
C. Victory Brewing Co
D. White Manor Country Club
E. Chester Valley Golf Club
F. Embassy Suites by Hilton
G. Hms Host

H. Olive Garden Italian Restaurant
I. On the Border Mexican Grill
J. Texas Roadhouse
K. Clarion-Conference Ctr
L. Arrowhead Day Camp
M. Dilworthtown Inn
N. Downingtown Country Club

O. Inn At Mendenhall, BW Premier
P. Quality Inn-Suites Conference
Q. Red Robin Gourmet Burgers and Brews
R. Seven Stars Inn
S. Sheraton Great Valley Hotel
T. Vickers Restaurant
U. Waynesborough Country Club

REAL ESTATE CHARACTERISTICS

This chapter explores real estate characteristics, including residential construction, housing sale prices, nonresidential construction, office market conditions, industrial market conditions, and retail market conditions.

6

Housing Construction

2021 had the highest number of new units constructed since 2006.

Chester County had a housing construction boom in the early 2000s, with an annual average of 3,287 new units added from 2000 through 2008. New construction fell after the housing market crash in 2008, with an average of 1,409 new units added from 2009 through 2020. While too early to determine any trends, new unit construction rebounded in 2021 to 3,743 units.

Construction of multi-family apartment units were the highest in over ten years, with the completion of multiple projects finishing construction. A total of 1,963 new apartment units were constructed in 2021, more than twice the number built in 2020. Chester County collects data through Assessment on built units; units are considered built once fully assessed, which occurs upon 50% occupancy. For more detailed housing data visit the 2021 Chester County Housing Cost Profile. ▶

▼ **FIGURE 56**

New Housing Units

Year	New Housing Units	Cumulative New Housing Units
2000	3,168	3,168
2001	3,980	7,148
2002	3,656	10,804
2003	3,284	14,088
2004	3,710	17,798
2005	3,629	21,427
2006	3,227	24,654
2007	2,747	27,401
2008	2,178	29,579
2009	1,632	31,211
2010	1,306	32,517
2011	994	33,511
2012	1,305	34,816
2013	1,250	36,066
2014	1,377	37,443
2015	1,444	38,887
2016	1,426	40,313
2017	1,675	41,988
2018	1,355	43,343
2019	1,409	44,752
2020	1,732	45,075
2021	3,743	47,086

Source:
Chester County Assessment Data
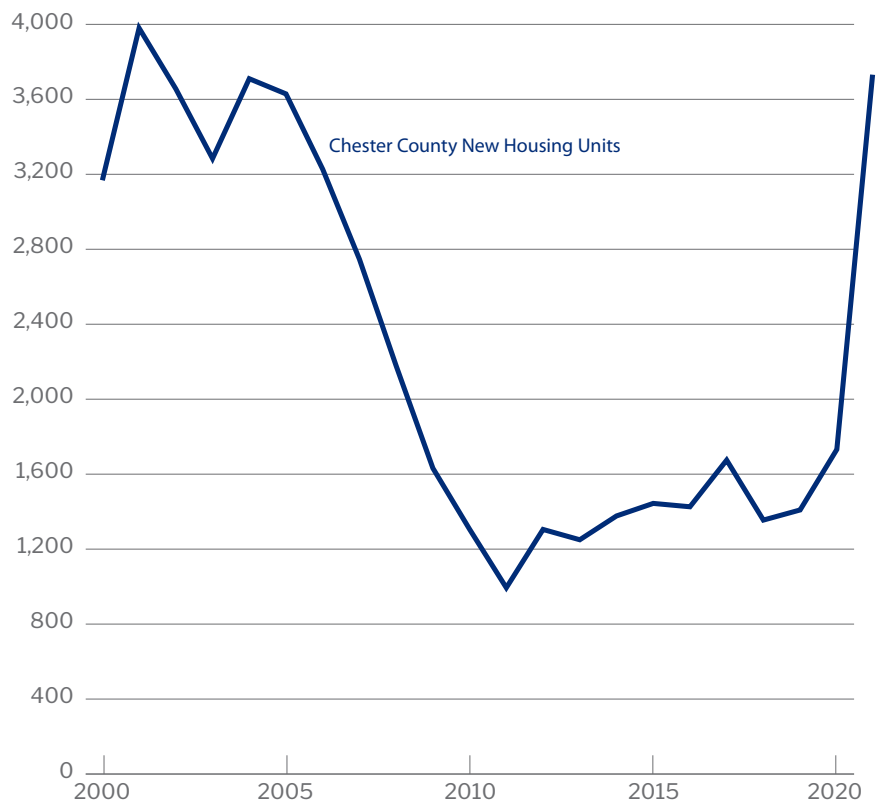
Chester County New Housing Units

Construction of new apartment units more than doubled in 2021 from the prior ten years

▼ **FIGURE 57**

Housing Type

Year	Total	Single Family Detached	Single Family Attached	Apartments
2021	3,743 (100%)	916 (25%)	864 (37%)	1963 (52%)

Source: Chester County Building Permits and Assessment Data

▼ **FIGURE 58**

Multi-Family Construction (Percent of Total New Units)

Year	Multi-family units built	Multi-family units built (% of total)
2010	157	12%
2011	141.	14%
2012	355	27%
2013	235	19%
2014	415	30%
2015	643	45%
2016	708	50%
2017	656	39%
2018	116	9%
2019	221	16%
2020	615	36%
2021	1,963	52%

Source:
Chester County Assessment Data

Chester County Multi-Family Unit Construction
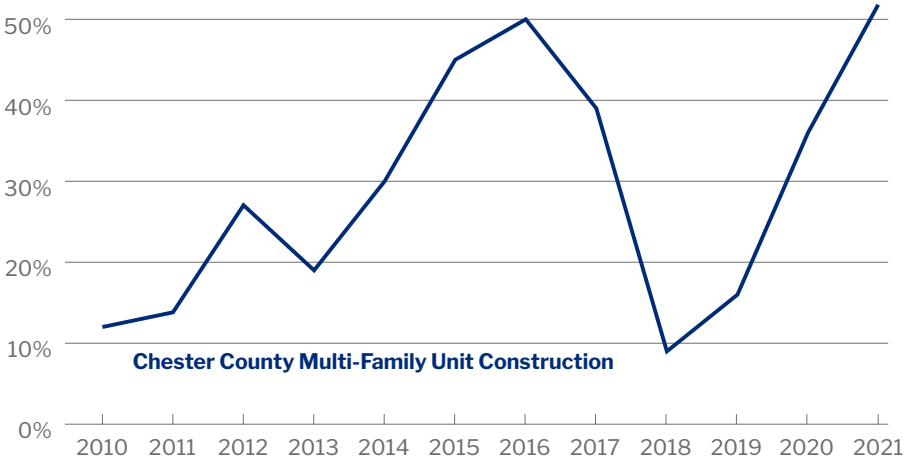
Home Sales

Housing sales have been increasing since 2011, and in 2021 were the highest since 2005.

▼ **FIGURE 59**

Annual Home Sales

Year	Number of Sales	Percent Change From Prior Year
1990	5,109	-16%
1991	4,725	-8%
1992	6,289	33%
1993	6,475	3%
1994	6,256	-3%
1995	5,702	-9%
1996	6,095	7%
1997	7,257	19%
1998	8,613	19%
1999	9,290	8%
2000	9,241	-1%
2001	9,083	-2%
2002	9,212	1%
2003	10,240	11%
2004	9,492	-7%
2005	9,333	-2%
2006	8,336	-11%
2007	7,335	-12%
2008	5,911	-19%
2009	5,413	-8%
2010	5,188	-4%
2011	4,952	-5%
2012	6,067	23%
2013	6,967	15%
2014	6,293	-10%
2015	6,772	8%
2016	6,871	1%
2017	7,080	3%
2018	7,480	6%
2019	7,337	-2%
2020	7,532	1%
2021	9,049	21%

Chester County home sales increased drastically in the early 2000s but began decreasing in 2004, hitting a low point during the Great Recession. Home sales continued to decrease through 2011, but have been mostly increasing since, with more than 7,000 sales each year. In 2021 home sales increased by 21 percent from 2020, up to approximately 9,050 sales.

Chester County Home Sales
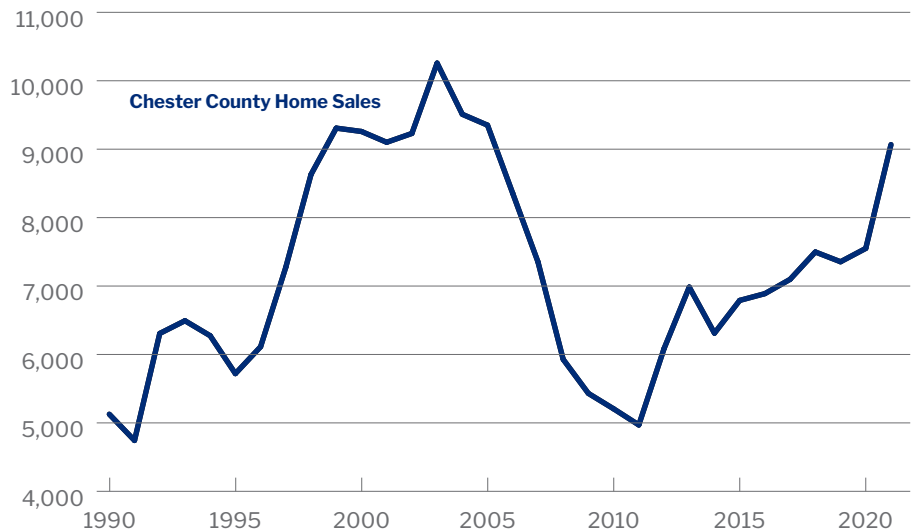
Source:
Chester County Building Permits and Assessment Data

Housing Values

Chester County's median housing value is the highest in the state, and in 2021 was the highest in over 30 years – even when accounting for inflation.

Chester County's inflation adjusted median housing sale price has increased by 39% since 2000. Previously home sales had peaked in 2008 before declining after the Great Recession. Home sale median prices began steadily climbing and in 2021 reached a peak of $420,000.

▼ **FIGURE 60**

Annual Home Sales Median Price

Year	Median Sales Price	Median Sale Price Inflation Adjusted to 2020
1995	$155,000	$281,526
1996	$156,250	$274,671
1997	$169,000	$292,111
1998	$170,000	$289,178
1999	$179,000	$296,527
2000	$188,000	$301,234
2001	$200,000	$315,565
2002	$224,900	$346,615
2003	$245,000	$370,627
2004	$265,000	$388,242
2005	$295,000	$417,920
2006	$302,800	$418,341
2007	$312,500	$414,813
2008	$300,000	$397,857
2009	$276,700	$357,235
2010	$295,000	$375,249
2011	$290,000	$358,275
2012	$282,500	$343,037
2013	$297,000	$355,308
2014	$315,000	$374,013
2015	$310,000	$365,410
2016	$316,500	$365,489
2017	$337,000	$381,124
2018	$340,000	$377,310
2019	$355,000	$385,155
2020	$375,064	$401,455
2021	$420,000	$420,000

Source: Chester County Building Permits and Assessment Data
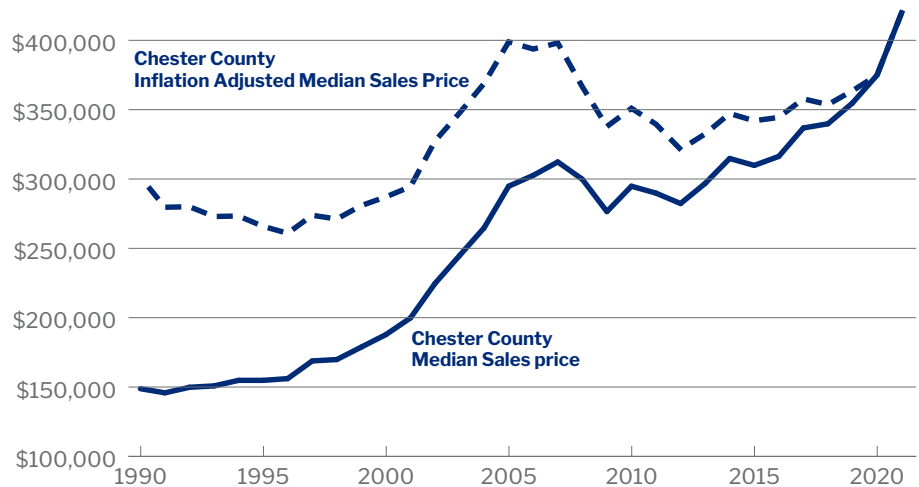
▼ **FIGURE 61**

Change in Home Sales Median Price

	Increase in Inflation-Adjusted Value	Percent Change
Change 1992-2021	$125,283	43%
Change 1992-2001	$20,849	7%
Change 2002-2011	$11,660	3%
Change 2012-2021	$76,963	22%

Source: Chester County Building Permits and Assessment Data

Non-Residential Construction

The amount of square feet added in 2021 was slightly higher than 2020, despite fewer total projects.

Non-residential projects and square feet increased from 2016 through 2018, before dropping in 2019. While there were fewer total projects in 2021, the average square feet per project was larger, resulting in a greater total new square feet than in 2020. Commercial projects made up the majority (42%) of nonresidential square feet added between 2016-2021, with 2,961,608 square feet added.

▶ **FIGURE 62**

Total Non-Residential Projects, 2016-2021
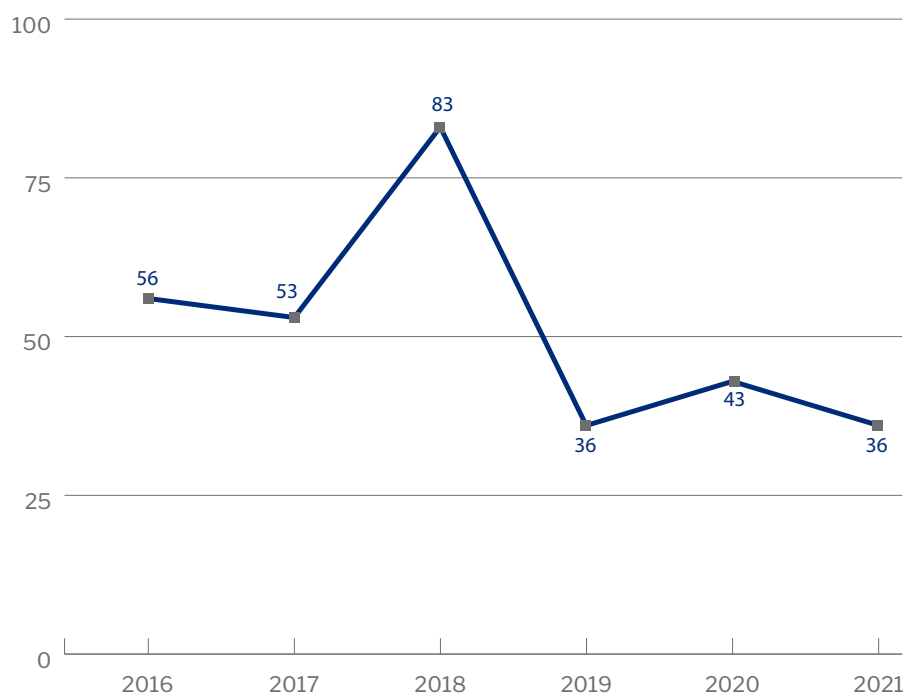
Source: Chester County Building Permits and Assessment Data

► **FIGURE 63**

Total Non-Residential Square Feet by Type, 2016-2021

Total —
Agriculture ▪
Commercial ▪
Industrial ▪
Institutional ▪
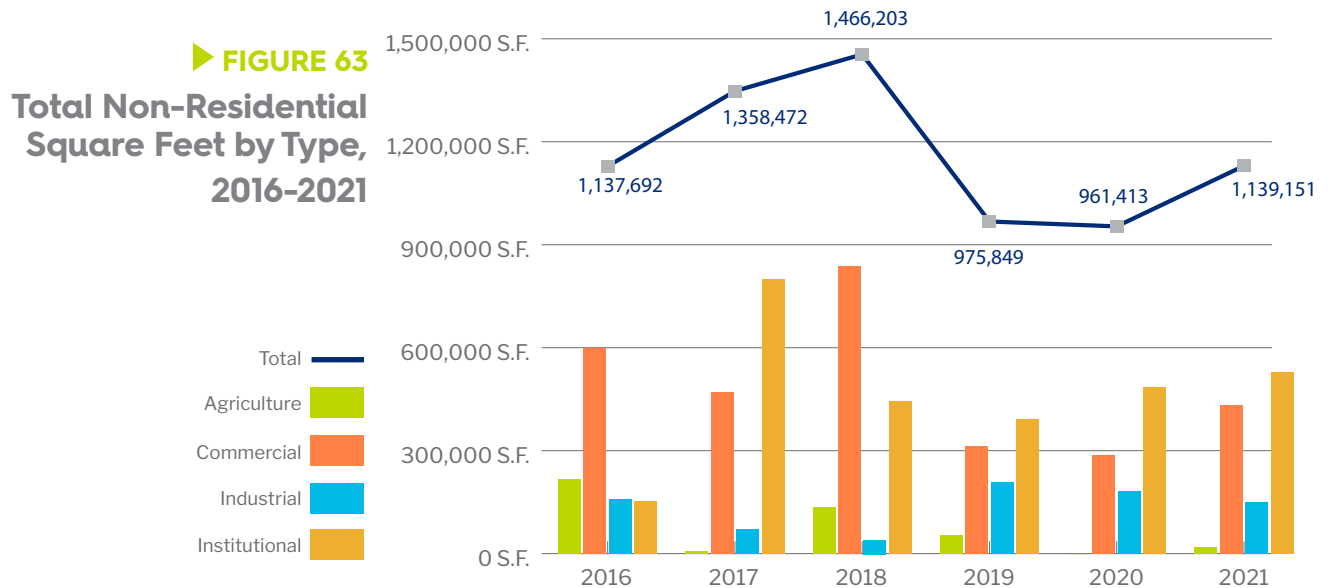
Source: Chester County Building Permits and Assessment Data

▼ **FIGURE 64**

Largest Non-Residential Construction Projects, 2021

Building Square Feet	Project Name	Municipality	Type
315,000	West Chester University The Commons	West Chester Borough	Institutional
107,900	Springer Property	New Garden Township	Commercial
99,998	Agricultural Support Building	Sadsbury Township	Commercial
88,000	Proposed Self Storage Facility	West Whiteland Township	Commercial
76,542	Greystone Elementary School	West Goshen Township	Institutional
58,835	G.A. Vietri, Inc.	Valley Township	Industrial
43,050	Tasty Baking	Oxford Borough	Industrial
40,320	Conestoga High School Expansion	Tredyffrin Township	Institutional
39,636	Berwyn Sports Club	Tredyffrin Township	Commercial
39,437	New Civic and Senior Center	Phoenixville Borough	Institutional
36,218	Atwater Lot 11B	Tredyffrin Township	Commercial
29,253	190 W. Lincoln Highway	City of Coatesville	Industrial
18,700	Red Lion Equipment / Storage Building-	East Marlborough Township	Commercial
18,018	Proposed Performing Arts Center, Collegium Charter School	West Whiteland Township	Institutional
11,674	Boy Scouts of America Chester County Council	West Whiteland Township	Institutional
11,000	Malvern Ducklings Early Learning Center	East Whiteland Township	Institutional
10,000	Camp Sankanac	East Vincent Township	Commercial

Source: Chester County Building Permits and Assessment Data

Office Building Market

Chester County has a strong office market, although the vacancy rate of 9.6% is high.

The Philadelphia area office market is reasonably strong, with rents around $28 a square foot per year. Much of Chester County is part of the Philadelphia market, making it an attractive location for companies looking to expand or relocate.

Overall, Chester County has a large and competitive office market, with concentrations of offices in Chesterbrook, the Main Line, Great Valley/Malvern, the West Chester area, and Exton/Lionville. There are also scattered offices in developed parts of southern, western, and northern Chester County. These offices are typically owner-occupied. Like Montgomery County, Chester County has a relatively high vacancy rate. Some of this vacancy is due to the many offices built in the 1980s and 1990s that are now being retrofitted and modernized to address demand for new technology and collaborative work environments. The office vacancy rate increased by around 2% from 2019 to 2021, indicating the office market is rebounding after negative impacts caused by COVID-19.

Neighboring Lancaster County to the West has a different, generally more agricultural economic market. This is reflected in the lower overall square footage, rents, and vacancy rates than both Chester County and the Philadelphia MSA.

Chester County Economic Development Council

▶ **FIGURE 65**

Office Building Characteristics, October 2022

	Number of Buildings	Rentable Building Square Footage	Average Vacancy Rate	Average Annual Rental Rate Per Square Foot
Chester County	**1,753**	**31,757,454**	**9.60%**	**$28.84/fs**
Berks County	801	13,442,150	5.80%	$20.55/fs
Bucks County	1,770	20,499,713	10.00%	$24.00/fs
Delaware County	1,320	22,530,346	8.20%	$32.24/fs
Lancaster County	1,149	15,253,805	3.30%	$19.06/fs
Montgomery County	3,352	62,534,279	11.70%	$27.63/fs
Philadelphia County	3,008	103,500,371	9.50%	$29.98/fs
Philadelphia MSA	16,703	322,652,923	10.30%	$28.23/fs

Source: Costar

▶ **FIGURE 66**

Office Building Vacancy Rates

Chester County
Montgomery County
Lancaster County
Philadelphia MSA
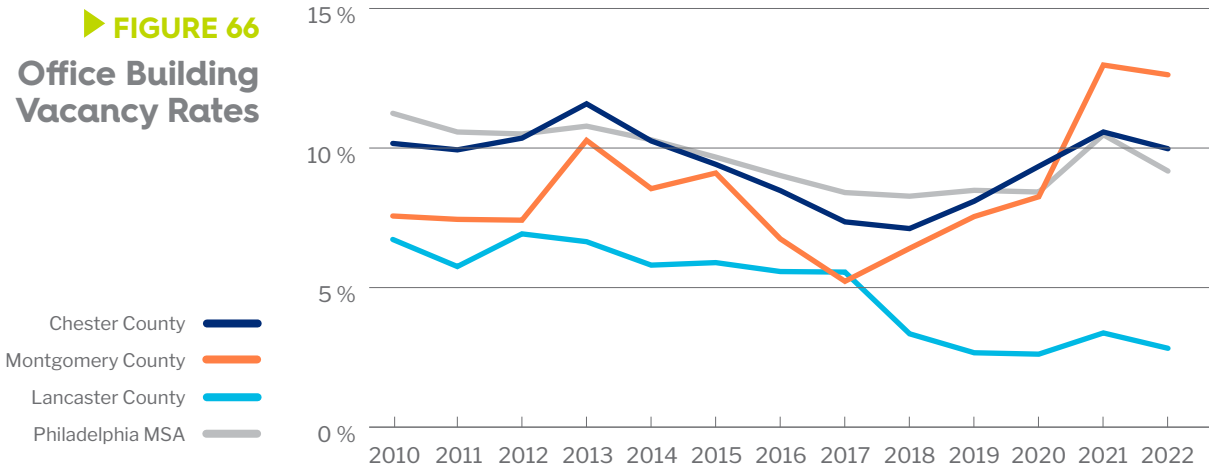
Source: Costar

Retail Building Market

Chester County's retail primarily serves local community needs.

The retail market in Southeastern PA is dominated by Montgomery County and Philadelphia, with the other counties in the region primarily having smaller malls and shopping centers that are focused on community needs. Chester County falls into a community-focused retail category, with retail centers scattered around major population hubs. The county is surrounded by major shopping areas to the north, east, and south, including King of Prussia, the Route 422 Corridor with its outlets and new centers, Concordville in Delaware County, and malls and shopping centers near Wilmington.

FIGURE 67

Retail Building Characteristics, October 2022

	Number of Buildings	Rentable Building Square Footage	Average Vacancy Rate	Average Annual Rental Rate Per Square Foot
Chester County	**2,196**	**25,483,663**	**5.70%**	**$19.93/nnn**
Berks County	1,820	22,587,478	3.00%	$12.34/nnn
Bucks County	2,635	34,521,997	4.50%	$16.60/nnn
Delaware County	2,575	24,583,313	4.50%	$24.88/nnn
Lancaster County	2,069	26,285,205	3.40%	$15.34/nnn
Montgomery County	4,911	56,655,737	3.80%	$19.21/nnn
Philadelphia County	11,202	72,746,745	2.90%	$24.43/nnn
Philadelphia MSA	3,2197	318,001,783	4.30%	$19.53/nnn

Source: Costar

FIGURE 68

Retail Building Vacancy Rates

Philadelphia MSA
Lancaster County
Montgomery County
Chester County
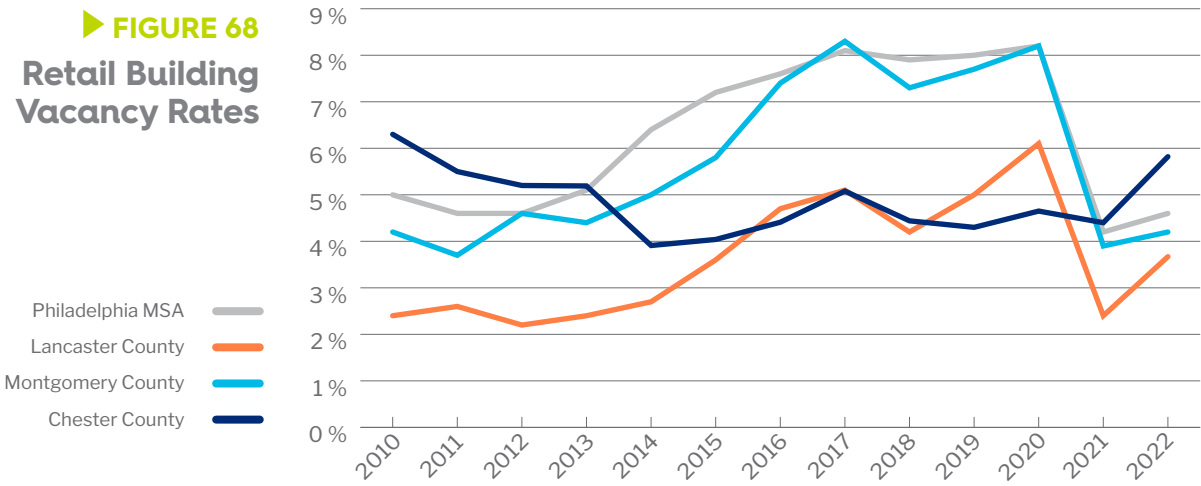
Source: Costar

Industrial Building Market

Chester County has a varied industrial market, with the highest rents in the region.

The industrial market remains an important part of the Philadelphia region's commercial real estate sector. Over time, industrial uses have shifted from heavy industry to lighter industrial and manufacturing, although some heavy industry remains, such as steel production in South Coatesville and Coatesville. Much of Chester County's modern industrial space is advanced manufacturing, such as medical products, pharmaceuticals, and other specialized manufacturing. Industrial uses are spread around the county, with major concentrations of newer buildings in corporate parks, including ones in Exton, West Chester, and Lionville. Around the country, mega-warehouses have been a major driver of new industrial construction, but, locally, these warehouses have mostly been locating in south-central PA, the Lehigh Valley, and southern New Jersey. Chester County has not had major new warehouse space delivered recently, which could be due to the county's price of land and relative lack of interstate highway interchanges. The most likely location for major new warehouses is near the Route 100 and PA Turnpike interchange.

Chester County Economic Development Council

▶ **FIGURE 69**

Industrial Building Characteristics, October 2022

	Number of Buildings	Rentable Building Square Footage	Average Vacancy Rate	Average Annual Rental Rate Per Square Foot
Chester County	**1178**	**38,023,528**	**3.80%**	**$16.03/nnn**
Berks County	943	48,166,872	3.90%	$5.13/nnn
Bucks County	1906	68,399,720	2.20%	$8.43/nnn
Delaware County	1,014	30,960,424	6.40%	$6.43/nnn
Lancaster County	1330	62,131,445	1.70%	$6.90/nnn
Montgomery County	2410	76,900,323	6.20%	$11.25/nnn
Philadelphia County	3,206	114,701,894	6.00%	$8.45/nnn
Philadelphia MSA	14239	542,778,070	4.60%	$9.22/nnn

Source: Costar

Chester County's Average Annual Rental Rate Per Square Foot is high largely due to new industrial space.

▶ **FIGURE 70**

Industrial Building Vacancy Rates

Chester County
Montgomery County
Lancaster County
Philadelphia MSA
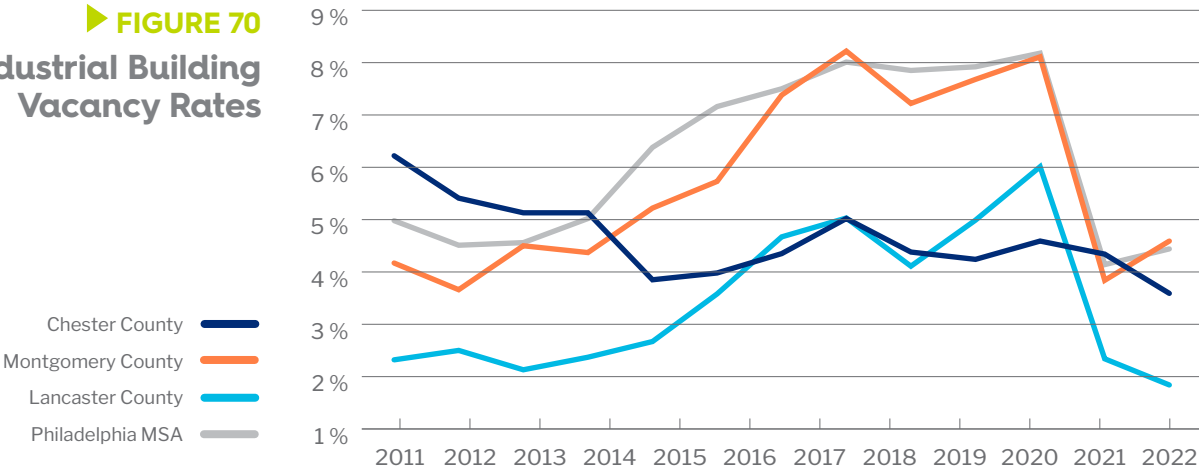
Source: Costar

Data Sources

Although the report aims to use the best and most recent data available, data sets will present different issues. Data will have exclusions, have delays in availability, and may be incomplete. Here is an overview of data sources, notes, and identified potential inaccuracies:

Bureau of Labor Statistics (BLS)
Source for unemployment rates, and data by industry including establishments, employment, and wages. Data for private and public establishments were combined. Data does not include proprietors, unincorporated self-employed, and some agricultural employment. BLS suppresses data where it would identify individual businesses. Non-seasonally adjusted data was used. The BLS is also the source of unemployment rates, with the most recent data from June 2020.

U.S. Census Data
The Census is the source for resident population data (population, income, and commute, education, race, occupation) as well as establishments by size. One year estimates were used for population data, with the most recent available year being 2018. Statistics of US Businesses (SUSB) was used for establishment data, the most recent available data is from 2017.

Bureau of Economic Analysis (BEA)
The BEA is the source for Gross Domestic Product (GDP) data. Real GDP was used, which presents data adjusted to account for inflation, using 2012 as a base year. The GDP data provides estimates of the value of goods and services produced in an area. Raw GDP for states and the nation is presented in millions, county and MSA data is presented in thousands. All data was adjusted for the report. The most recent available data is from 2018

Chester County Data
Building permits and assessment data were cross referenced and combined to compile residential and non-residential construction and sales data. Additional outreach to municipalities, site visits, and aerial image review was completed to ascertain status of construction projects. Estimated year of construction was used for non-residential projects built prior to 2019 where annual aerial photography was unavailable. Residential and non-residential construction data is updated annually, with the most recent data year being 2019.

CoStar
Real estate data (rent and vacancy rates) were collected using CoStar data. CoStar uses calls, property canvasing, and photographs to gather data. Due to the large number of properties, data may not be fully up to date or exhaustive. Data is updated continuously.

ArcGIS
Business Analyst Data on individual establishments including location, name, and employment size was taken from ArcGIS Business Analyst. The ArcGIS data is drawn from Infogroup, which uses business sources, directories, and direct contact for information. The data is updated quarterly, with the most recent data availability being January 2020. Infogroup data estimates employment and sales data based on comparables where data is unavailable. The business list is not exhaustive of all establishments. As the data is drawn from different sources, and businesses will report data differently, data display varies. Individual locations of larger entities may list employment for the local location, or full entity. Data often lists multiple establishments under the same enterprise separately, which may cause inaccuracies in the largest employers' data.

Methodology

Bureau of Labor Statistics Data
Data for employment and wages is from the Quarterly Census of Employment & Wages (QCEW). The BLS provides raw data separated by employment type (private, local government, state government, and federal government). To obtain employment by industry numbers, all employment types were combined. To obtain annual average wage, total wages for all employment types by industry were combined and then divided by the summed employment figures.

Location Quotient
Location quotients were calculated using the formula:

(local industry employment / local total employment) / (U.S. industry employment / U.S. Total employment) from BLS data

Example businesses were generated through ArcGIS Business Analyst data. Industry NAICS codes were matched to the NAICS codes attached to establishments in ArcGIS Business Analyst.

Shift Share Analysis
For both the employment and GDP shift share numbers the following formulas were used:

National Share
2015 local industry amount * 2018 U.S. total amount /2015 U.S. total amount

Industrial Share
2015 local industry amount * 2018 U.S. industry amount / 2015 U.S. industry amount – National Share

Regional Share
2015 local industry amount * 2018 local industry amount / 2015 local industry amount – 2018 U.S. industry amount / 2015 U.S. industry amount

"Expected" Rates
Regional Share / 2015 industry amount

Example businesses were generated through ArcGIS Business Analyst data. Industry NAICS codes were matched to the NAICS codes

attached to establishments in ArcGIS Business Analyst.

The value of the expected rate of change was used to determine strength of influence of local factors, as
defined as:

Very High: >70%
High: 31%-70%
Medium: 11%-30%
Low: 0-10%

Employer Matching
ArcGIS Business Analyst data was used to identify employers where called out in the document. NAICS codes were used to match employers to data. To identify largest employers in an industry, employers with highest employment numbers as reported in the ArcGIS Business Analyst data were used. For enterprises with multiple establishments, establishments were counted individual unless identified as major employers through staff review.

Self-Employed Estimate
BLS employment data does not include sole proprietors or unincorporated self employed. Data from the 2013 NETS database was used to provide an estimate of self-employed sole-proprietors not included in the BLS data. The number of establishments with only one employer was calculated for each industry grouping, matched by NAICS codes. The number of establishments with one employee was divided by total number of establishments in the key industry to obtain a rate of self employment. The rate of self-employment was multiplied by 1.0569, to adjust for the change in self employment occurring nationally since 2013. The result was multiplied by the 2018 BLS employment data as an estimate of self-employment by key industry in 2018.

Methodology (continued)

Residential Construction

Residential construction numbers were generated by sales and construction data provided by the Chester County Assessment Office. Data includes all 2019 records added through May 2020.

Non-Residential Construction

Land development proposals submitted to the Chester County Planning Commission were used to identify potential projects, square feet added, and non-residential type. Assessment data and historical aerial imagery were cross referenced with identified land developments to ascertain status for projects proposed prior to 2019. For land developments not identified as built through the prior process and 2019 land developments, the Chester County Planning Commission obtained information through municipal outreach and site visits. Type of project was checked using internet searches and site visits.

NAICS Codes

Agriculture and Food Production
11 - Agriculture, forestry, fishing, hunting
311 - Food manufacturing
312 - Beverage and tobacco manufacturing
3253 - Agricultural chemical manufacturing
333111 - Farm machinery manufacturing
42382 - Farm equipment wholesalers
42448 - Fruit and vegetable merchant wholesalers
4245 - Farm product raw material wholesalers
42491 - Farm supply merchant wholesalers
42493 - Nursery and florist merchant wholesalers
42331 - Lumber and wood merchant wholesalers
44523 - Fruit and vegetable markets
44422 - Nursery, garden, and farm supply stores
92614 - Agricultural market and commodity regulation

Tourism and Hospitality
31212 - Breweries
3113 - Wineries
445291 - Baked goods stores
45322 - Gift, novelty, and souvenir stores
5615 - Travel arrangement and reservation services
71 - Arts, entertainment, and recreation
72 - Accommodation and food services

Energy
22 - Utilities
2371 - Utility system construction
23821 - Electrical and wiring contractors
23822 - Plumbing and HVAC contractors
4247 - Petroleum merchant wholesalers
45431 - Fuel dealers
486 - Pipeline transportation
92613 - Utility regulation and administration

Manufacturing
21 - Mining, quarrying, and oil and gas extraction
31-33 - Manufacturing

Life Sciences
3254 - Pharmaceutical and medicine manufacturing
541714 - Research and development in biotechnology
3391 - Medical equipment and supplies manufacturing
42345 - Medical equipment merchant wholesalers
42346 - Ophthalmic goods merchant wholesalers
4242 - Druggist goods merchant wholesalers

Information Technology

334 - Computer and electronic product manufacturing

42343 - Computer and software merchant wholesalers

5112 - Software publishers

518 - Data processing, hosting, and related services

51913 - Internet publishing and web search portals

5415 - Computer systems design and related services

Education

61 - Educational Services

92311 - Administration of Education Programs.

Finance

52 - Finance and insurance

5412 - Accounting and bookkeeping services

92113 - Public finance activities.

Health Care

524114 - Direct health and medical insurance carriers

532283 - Home health equipment rental

621 - Ambulatory health care services

622 - Hospitals

623 - Nursing and residential care facilities

92312 - Administration of public health programs.

Definitions

Annual Wage
From the BLS, wages are total earnings before payroll deductions, excluding premium pay for overtime and work on weekends or holidays, shift differentials, and nonproduction bonuses. Average Wage is calculated by dividing the number of employees by the sum of all wages.

Chained Type Index
From the Bureau of Economic Analysis, an index created by linking indexes to make a time series.

Employment
From the Bureau of Labor Statistics, employment includes covered workers who worked during the pay period including the 12th of the month. Employment includes employees in the private and public sectors. Employment includes full time, part time, piece workers, and many farm workers. Data also includes workers on sick leave, paid holiday, paid vacation, or similar. Employment excludes workers including unincorporated self-employed, proprietors, unpaid family members, certain farm and domestic workers, and others. Workers who earned no wages during the pay period are also excluded. For full details on included and excluded workers in employment data please visit the Bureau of Labor Statistics.

Enterprise
From the Bureau of Labor Statistics, a private firm, government, or nonprofit organization.

Establishment
From the Bureau of Labor Statistics, the physical location of an economic activity. One enterprise may have multiple establishments.

"Expected" Change of Employees/GDP
A calculation from the Shift-Share analysis. The change that the analysis calculates would have occurred absent the influences of the national overall economy and industry trends.

"Expected" Rate of Change of Employees
The calculated rate of change from the beginning period used in a Shift-Share analysis. Calculated by taking the "Expected" change in employees/GDP and dividing it by the beginning period figure.

Gross Domestic Product (GDP)
The estimated value of goods and services produced.

Key Industry
Industries defined by the Chester County Economic Development Council as major industry groupings in Chester County. Key industries combine NAICS codes to better represent the industries.

Labor Force Participation Rate
From the Bureau of Labor Statistics, includes people over the age of sixteen who are employed or actively making efforts to find a job.

Major Industries
Industries at the highest level of NAICS codes (two digits).

Management of Companies

The Management of Companies and Enterprises sector comprises (1) establishments that hold the securities of (or other equity interests in) companies and enterprises for the purpose of owning a controlling interest or influencing management decisions or (2) establishments (except government establishments) that administer, oversee, and manage establishments of the company or enterprise and that normally undertake the strategic or organizational planning and decision making role of the company or enterprise. Establishments that administer, oversee, and manage may hold the securities of the company or enterprise.

Establishments in this sector perform essential activities that are often undertaken, in-house, by establishments in many sectors of the economy. By consolidating the performance of these activities of the enterprise at one establishment, economies of scale are achieved.

NAICS Codes
The North American Industry Classification System. Used by federal agencies to classify establishments. NAICS codes have levels of detail, from two digit to six digit codes. Longer codes are subsectors of shorter codes. For example, code 111411 (Mushroom Production) is a subset of code 1114 (Greenhouse, Nursery, and Floriculture Production), which is a subset of code 11 (Agriculture, Forestry, Fishing, and Hunting).

Philadelphia MSA
The Philadelphia MSA includes Burlington County, NJ; Camden County, NJ; Gloucester County, NJ; Bucks County, PA; Chester County, PA; Montgomery County, PA; Delaware County, PA; Philadelphia County, PA; New Castle County, DE; Cecil County, MD, and Salem County, NJ.

Real GDP
From the Bureau of Economic Analysis, GDP calculated for inflation relative to a reference year, 2012 used in data. Calculated in chain-type quantity index and presented in chained dollars.

Unemployment Rate
From the Bureau of Labor Statistics, to be unemployed a person must not have been employed during the week of the survey, must have been available for work during the survey week (unless unavailable due to temporary illness), and made one or more specific active efforts to find a job during the 4 week period ending with the survey week or were temporarily laid off and expecting to be recalled to their job.

North Coventry

East Coventry

Spring City

Warwick

South Coventry

East Vincent

Phoenixville

Elverson

West Vincent

East Nantmeal

West Nantmeal

East Pikeland

Schuylkill

Honey Brook Borough

Wallace

Upper Uwchlan

West Pikeland

Charlestown

Tredyffrin

Honey Brook

West Brandywine

Uwchlan

East Whiteland

Malvern

Easttown

West Caln

East Brandywine

East Caln

West Whiteland

Willistown

Caln

Downingtown

West Goshen

East Goshen

Valley

Coatesville

S. Coatesville

West Bradford

West Chester

Sadsbury

West Sadsbury

Modena

East Bradford

Westtown

Parkesburg

East Fallowfield

Newlin

Atglen

Highland

Pocopson

Thornbury

West Fallowfield

West Marlborough

Birmingham

Londonderry

East Marlborough

Pennsbury

Upper Oxford

London Grove

Penn

Kennett Square

Kennett

Lower Oxford

West Grove

Avondale

Oxford

New Garden

East Nottingham

New London

West Nottingham

Elk

Franklin

London Britain