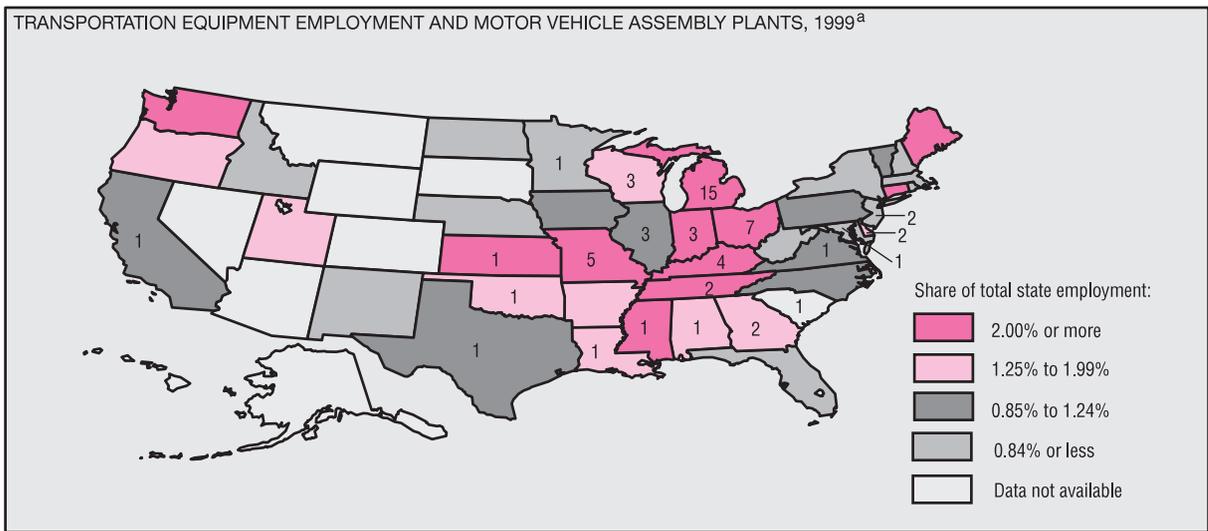
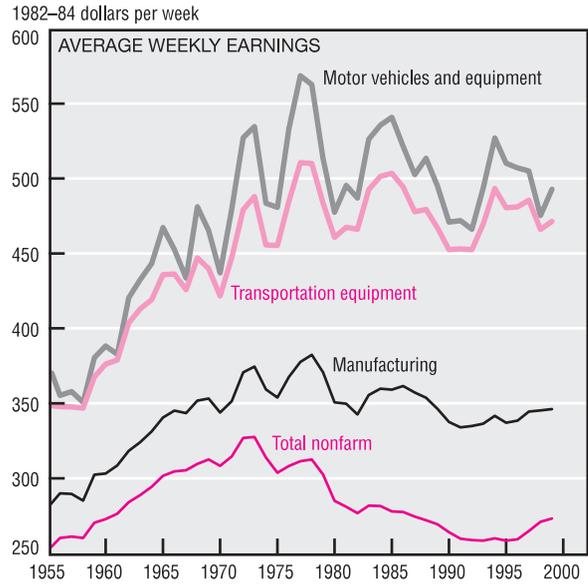
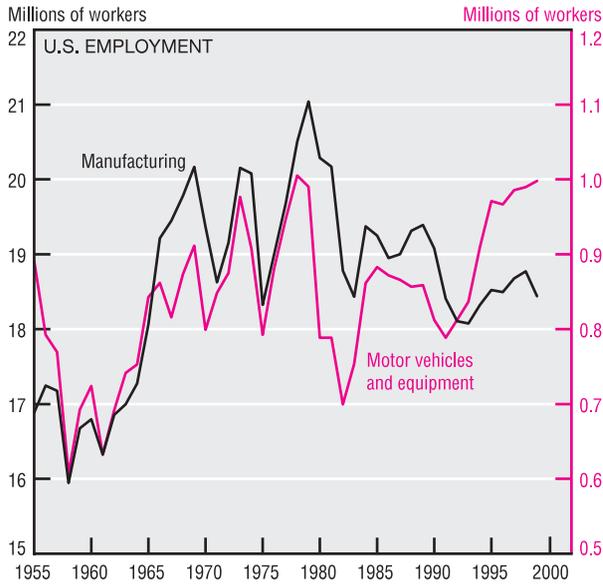


Regional Conditions



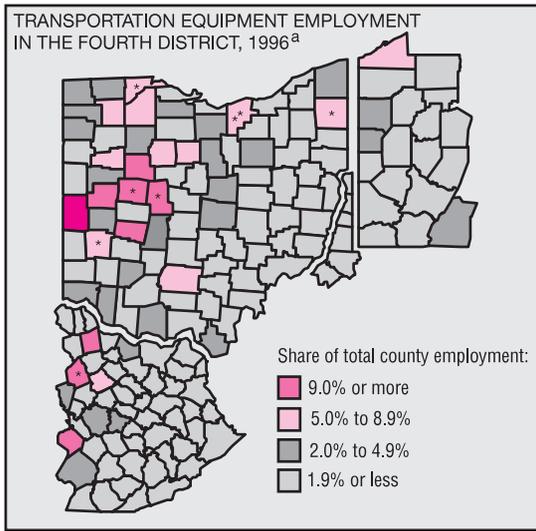
a. Numbers indicate automobile and light-truck final assembly plants in state.
 NOTE: 1999 annual data are the average of monthly data from January to September.
 SOURCES: U.S. Department of Labor, Bureau of Labor Statistics; and *Ward's Automotive Reports*, October 18, 1999.

Employment in the transportation equipment industry has declined substantially from its 1968 peak of 2.1 million workers. (In the Fourth District, transportation equipment is primarily automobile manufacturing, but local employment levels are not available for the narrower industry definition.) High pay and concentrated employment make auto manufacturing a key industry for several states. In two Fourth District states, Ohio and Kentucky, transportation equipment industries employ more than 2% of the workforce. Although employment levels in those indus-

tries have continued to decline nationwide, they have risen in both these states over the last 10 years. Older plants are clustered around the traditional manufacturing centers of Cleveland, Youngstown, Toledo, and Dayton. While employment in these older plants has declined, the latest round of United Auto Workers negotiations offered some assurances that the Big Three U.S. auto makers will continue to produce in Ohio. Ford committed itself to new investment and models for its Cleveland-area assembly and engine plants. DaimlerChrysler has already

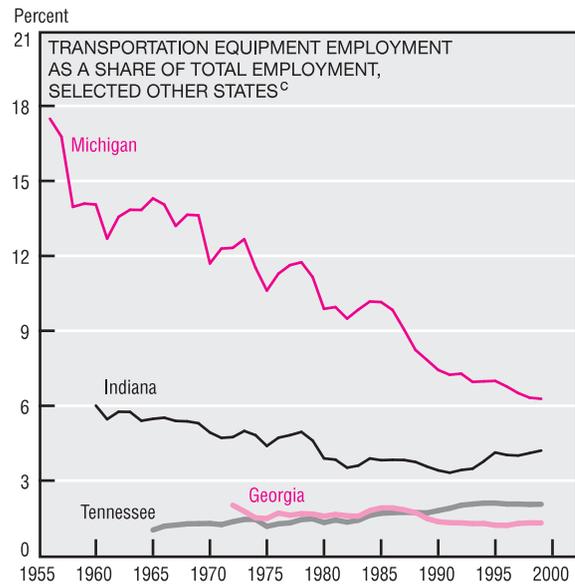
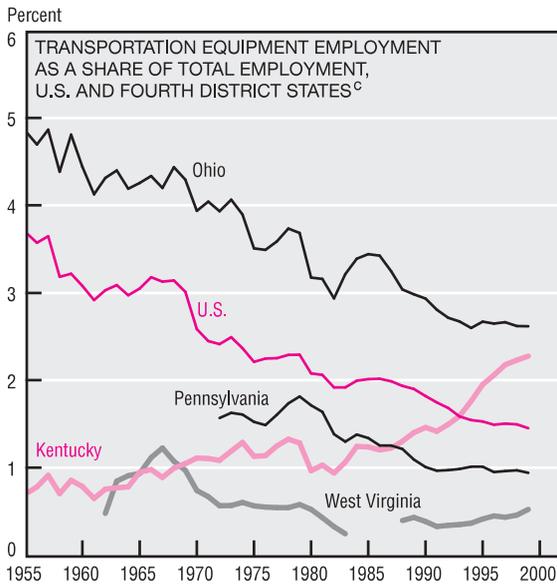
begun building a new plant in Toledo to replace the aging Jeep facility there. All of the Big Three auto makers also made employment guarantees that may encourage redirecting older plants to produce new products, rather than closing them and building new plants elsewhere. Fourth District states have also attracted new auto plants. These new facilities, including transplants (foreign-owned assembly plants), have tended to locate close to Interstate 75 for ready accessibility to the many parts suppliers who have
(continued on next page)

Regional Conditions (cont.)



Final Assembly Plants in the Fourth District^b

Company	Location	Product
GM	Lordstown, OH	Cavalier, Sunfire
	Moraine, OH	Blazer, Bravada, Jimmy
Ford	Avon Lake, OH	Villager, Econoline, Quest (Nissan)
	Lorain, OH	Club Wagon, Econoline
Chrysler	Toledo, OH	Jeep
Honda	East Liberty, OH	Acura CL, Civic
	Marysville, OH	Accord
Toyota	Georgetown, KY	Avalon, Camry, Sienna



a. Asterisks indicate automobile and light-truck final assembly plant(s) in county. Ohio data are for 1996; data for other states are for 1995.
 b. Does not include medium or heavy trucks.
 c. Data shown are the most complete available.
 SOURCES: U.S. Department of Labor, Bureau of Labor Statistics; Ohio Bureau of Employment Services, Labor Market Information Division; and *Ward's Automotive Reports*, October 18, 1999.

located along this highway. Most recently, the Honda plants in Marysville and East Liberty, Ohio have grown substantially, encouraging many parts suppliers to open in their vicinity. These two plants have the combined capacity to produce more than 600,000 cars per year, including the Accord and the Civic, but they employ only about 8,300 workers directly. Honda employs another 3,200 workers at nearby engine and motorcycle plants. The rural counties where these plants are located, and a few adjacent counties where some Honda suppliers are

located, have a total of 17,621 transportation equipment workers, 16% of their total employment. Similarly, the Toyota plant in Georgetown, Kentucky was instrumental in the state's shift from a below-average employment share in transportation equipment to a share well above the national average. The plant employs just under 8,000 workers to produce 474,588 cars per year, including the Camry, Avalon, and Sienna. All told, 40,500 workers are employed in transportation equipment companies in Kentucky. Toyota also manufactures

engines in its Kentucky facility and has recently opened an engine plant in West Virginia to supply Georgetown as well as other Toyota plants in North America. Component suppliers provide the majority of jobs in the transportation equipment industry. Thus, auto makers' continued tendency to set up assembly plants near I-75, whether in Fourth District states or otherwise, should keep the District's employment in transportation equipment high by ensuring the health of the many component suppliers already located there.