Business and Employment
Data Analysis 2006
Frederick, Maryland

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Executive Summary

Purpose

The intention of this analysis was to examine, categorize and compare the demographics of businesses located within the City of Frederick. This 2004 information provided location, employment and industry specific information cataloged within the North American Industry Classification System Codes (NAICS). The results of this analysis can be used to identify the most vibrant industry and employment sectors within the City of Frederick, provide an overview of the City's role within Frederick County and display the direction and size of industry growth in the City of Frederick since 2002. In addition, this analysis highlights some of the quality of life amenities offered within the City of Frederick such as restaurants, libraries, grocery stores and places of education.¹

¹ Please note that the statistics included in the aggregate analysis above are based on 2004 Info USA data. Note: Unless otherwise indicated, all County figures include City data.
Results

Employment and Industry

- 2,924 businesses - or 43% of all businesses within Frederick County - are located in the City of Frederick.

- These City businesses employ 47,266 people, an impressive 49% of all jobs in Frederick County.

- Health Care and Social Assistance, Retail Trade and Public Administration are the three largest employers in the City with Health Care offering the largest number of jobs at 7,979, Public Administration providing 7,217 and Retail Trade with 5,368.

- Comparatively, the leading employment industries in Frederick County are Construction, Retail Trade and Health Care and Social Assistance Services with Retail Trade offering the largest number of jobs at 11,845, Construction offering 10,643 and Health Care at 10,211.

- 78% of Health Care and Social Assistance employment opportunities in the Frederick County are located in the City of Frederick, as are over half the number of jobs in the Information industry.

- Public Administration makes up 8% of job industry within Frederick County it provides 7,219 or 15.2% of the jobs within the City of Frederick – a percentage that is attributable to the City/County government’s location in historic downtown Frederick.

- Ninety-five percent of Frederick businesses are small businesses, with 50 or fewer employees.
**City and County Employment**

*The following chart provides a comparative percentile breakdown of employment within the NAICS industry sectors in both the City and the County.*

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**NAICS Codes**

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*All Frederick County employment totals include employment within the City of Frederick*
Since 2002, 5,649 new jobs have been created in the City of Frederick.

The chart below chronicles employment growth by select industry sectors between 2002 and 2004.

<table>
<thead>
<tr>
<th>Industry</th>
<th>Employment 2002</th>
<th>Employment 2004</th>
<th>Net Gain/Loss</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Care and Social Services</td>
<td>7,000</td>
<td>7,979</td>
<td>979+</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>4,500</td>
<td>5,368</td>
<td>868+</td>
</tr>
<tr>
<td>Accommodation and Food</td>
<td>2,900</td>
<td>3,469</td>
<td>569+</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>2,850</td>
<td>2,680</td>
<td>180-</td>
</tr>
<tr>
<td>Education</td>
<td>2,650</td>
<td>2,891</td>
<td>241+</td>
</tr>
<tr>
<td>Professional, Scientific and Technical Services</td>
<td>1,921</td>
<td>4,100</td>
<td>2,179+</td>
</tr>
<tr>
<td>Finance and Insurance</td>
<td>2,400</td>
<td>1,658</td>
<td>742-</td>
</tr>
<tr>
<td>Construction</td>
<td>1,750</td>
<td>3,267</td>
<td>1517+</td>
</tr>
<tr>
<td>Public Administration</td>
<td>7,400</td>
<td>7,217</td>
<td>183-</td>
</tr>
</tbody>
</table>

In 2004, the five industries with the largest number of employees (Health Care and Social Assistance, Retail Trade, Professional, Scientific and Technical Services, Public Administration (formerly Government) and Accommodation and Food Services) comprised more than 28,000 jobs or 59% of jobs in the City of Frederick. In 2002, those same industries comprised only 23,000 jobs or 48% percent of the city total.

Professional, Scientific and Technical Services brought 2,100 jobs to the City of Frederick between 2002 and 2004. The significant increase in this industry can be largely attributed to the City’s targeted efforts to attract Bio Science and Information Technology businesses to the area. This specific employment growth also indicates that the demand for an academic and technically trained workforce is growing rapidly in Frederick City.

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3 The 2002 data referred to in this report is taken from The City of Frederick Comprehensive Plan Update prepared by HNTB and revised on August 1, 2003
Business Sectors

In recent years, the City of Frederick has launched a targeted retention and growth campaign in the manufacturing, bioscience and information technology sectors. The data below provides a brief portrait of the vitality of those three industries within Frederick County and Frederick City.

Manufacturing

- Manufacturing provides 7,469 jobs in Frederick County, over a third of which are located in the City of Frederick.
- Is the 7th largest employment sector in the City of Frederick
- 1,860 jobs are provided by primary manufacturing businesses in the City
- Sales volume for primary manufactures in the City was nearly 190 million dollars.
- These same primary manufacturing firms generated over 6 million dollars in sales volume in 2004

Bio Science

- The Maryland Department of Business and Economic Development NAICS Codes categorize businesses within the bioscience cluster underneath the subtitles of Professional, Scientific and Technical Services and Manufacturing.
- The Bioscience industry has brought 745 jobs to Frederick County since 2002, 441 of which are located in the City of Frederick.
- 6,317 jobs are provided by the top five bioscience firms in the City
- Sales volume for primary bioscience firms in the City was just over 98 million dollars.
- A major target industry sector is the bioscience industry, which has grown from 45 establishments countywide in 2005 to more than 60 bioscience companies in 2006. Forty-two percent of those companies are in the City of Frederick.
- The City of Frederick has 4 Pharmaceutical and Medical Manufacturing plants, 7 bioscience testing laboratories and 6 Research and Development facilities.
Information Technology

- Information Technology provides 1,440 jobs in Frederick County, 1007 of which are located within the City of Frederick.
- Sales volume for primary information technology firms in the City was nearly 68 million dollars.
- Information Technology offers the City services in specialty fields such as publishing, broadcasting, telecommunications, as well as internet and web development.
- This industry sector is expanding rapidly in downtown Frederick with more than 20 information technology companies currently operating within the district.

Health and Social Services

- Heath Care and Social Services employs 7,979 people in the City of Frederick.
- 130 Medical Businesses offer the services of either a Physician or a Surgeon
- There are 68 Dentists offices in the City of Frederick
- There are 6 Major Facilities offering Retirement, Nursing and Residential Care for the Elderly
- The City of Frederick has 16 sites providing Pre-School and Child Care Services
- This sector provides jobs 7,979 jobs in the City of Frederick and since 2003 has overtaken the government sector in providing the largest number of employment opportunities in the City.
Retail Trade provides 5,368 jobs in the City of Frederick.

There are 15 Food Market/Grocery Stores in the City of Frederick. Of those fifteen, nine are Chain Super Markets and six are International Specialty markets – a representation of the growing cultural and cuisine diversity in Frederick City. Food Markets provide 823 jobs to the City of Frederick.

Of the 21 Food Market/Grocery Stores in Frederick located outside of City lines, none are international markets, 11 are independently owned grocers and 10 are Chain Supermarkets.

15 gas stations are also located within the City employing just over 100 people.

Frederick City has 15 Regional and National banks with over 30 branch locations throughout the City borders.

There are 140 Restaurants in the City of Frederick bringing 2,591 jobs to the area.

Educational and Public Amenities

The education sector provides 2,891 jobs in the City of Frederick.

With 22 Elementary and Secondary Schools, 1 Career and Technology Center, 1 Community College and 1 four year Liberal Arts University Frederick City offers a vast array of quality educational opportunities.

Including the Frederick County Board of Education, 2,755 people are employed in the education sector in the City of Frederick.

In addition to high performing institutions of learning, Frederick City is the home to 7 Public and Private Libraries.

Serving as a central hub between Western Maryland and the Baltimore/D.C. area, Frederick City’s transportation options are growing. With a recently renovated Greyhound Bus Station and Marc Train stop in downtown Frederick, as well as the Frederick Municipal Airport, the City of Frederick provides commuters, tourists and local businesses with efficient transportation options.
APPENDIX

NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM CODES

**Sectors and Sub sectors**

11: Agriculture, Forestry Fishery and Hunting
   111: Crop Production
   112: Animal Production
   113: Forestry and Logging
   114: Fishing, Hunting and Trapping
   115: Support Activities for Agriculture and Forestry

21: Mining
   211: Oil and Gas Extraction
   212: Mining (except Oil and Gas)
   213: Support Activities for Mining

22: Utilities
   221: Utilities

23: Construction
   236: Construction of Buildings
   237: Heavy and Civil Engineering Construction
   238: Specialty Trade Contractors

31- 33: Manufacturing
   311: Food Manufacturing
   312: Beverage and Tobacco Product Manufacturing
   313: Textile Mills
   314: Textile Products Mills
   315: Apparel Manufacturing
   316: Leather and Allied Product Manufacturing
   321: Wood Product Manufacturing
   322: Paper Manufacturing
   323: Printing and Related Support Activities
   324: Petroleum and Coal Products Manufacturing
   325: Chemical Manufacturing
   326: Plastics and Rubber Products Manufacturing
   327: Nonmetallic Mineral Product Manufacturing
   331: Primary Metal Manufacturing
   332: Fabricated Metal Product Manufacturing
   333: Machinery Manufacturing
   334: Computer and Electronic Product Manufacturing
   335: Electrical Equipment, Appliance and Component Manufacturing
   336: Transportation Equipment Manufacturing

- 9 -
337: Furniture and Related Product Manufacturing  
339: Miscellaneous Manufacturing

42: Wholesale Trade  
423: Merchant Wholesalers, Durable Goods  
424: Merchant Wholesalers, Nondurable Goods  
425: Wholesale Electronic Markets and Agents and Brokers

44-45: Retail Trade  
441: Motor Vehicle and Parts Dealers  
442: Furniture and Home Furnishings Stores  
443: Electronics and Appliances Stores  
444: Building Material and Garden Equipment and Supplies Dealers  
445: Food and Beverage Stores  
446: Health and Personal Care Stores  
447: Gasoline Stores  
448: Clothing and Clothing Accessories Stores  
451: Sporting Good, Hobby, Book and Music Stores  
452: General Merchandise Stores  
453: Miscellaneous Store Retailers  
454: Nonstore Retailers

48-49: Transportation and Warehousing  
481: Air Transportation  
482: Rail Transportation  
483: Water Transportation  
484: Truck Transportation  
485: Transit and Ground Passenger Transportation  
486: Pipeline Transportation  
487: Scenic and Sightseeing Transportation  
488: Support Activities for Transportation  
491: Postal Service  
492: Couriers and Messengers  
493: Warehousing and Storage

51: Information  
511: Publishing Industries (except internet)  
512: Motion Picture and Sound Recording Industries  
515: Broadcasting (except Internet)  
516: Internet Publishing and Broadcasting  
517: Telecommunications  
518: Internet Service Providers, Web Search Portals, and Data Processing Services  
519: Other Information Services

52: Finance and Insurance  
522: Credit Intermediation and Related Activities  
523: Financial Investments and Related Activities  
524: Insurance Carriers and Related Activities  
525: Funds, Trusts and Other Financial Vehicles
53: Real Estate and Rental and Leasing
   531: Real Estate
   532: Rental and Leasing Services
   533: Lessors of Nonfinancial and Intangible Assets (except Copyrighted works)

54: Professional, Scientific and Technical Services
   541: Professional, Scientific and Technical Services

55: Management of Companies and Enterprises
   551: Management of Companies and Enterprises

56: Administrative and Support and Waste Management and Remediation Services
   561: Administrative and Support Services
   562: Waste Management and Remediation Services

61: Education Services
   611: Educational Services

62: Health Care and Social Assistance
   621: Ambulatory Health Care Services
   622: Hospitals
   623: Nursing and Residential Care Facilities
   624: Social Assistance

71: Arts, Entertainment and Recreation
   711: Performing Arts, Spectator Sports and Related Industries
   712: Museums, Historical Sites and Similar Institutions
   713: Amusement, Gambling and Recreation Industries

72: Accommodation and Food Services
   721: Accommodation
   722: Food Services and Drinking Places

81: Other Services (except Public Administration)
   811: Repair and Maintenance
   812: Personal and Laundry Services
   813: Religious, Grantmaking, Civic, Professional and Similar Organizations

92: Public Administration
   Small Business size standards are not established for this sector. Establishments in the Public Administration Sector are Federal, state and local government agencies which administer and oversee government programs and activities that are not performed by private establishments.