

Jennifer Adams,  
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Dear Jennifer,

Early in the summer of 2006, Forecasting International undertook to examine the possibilities for job creation in Norfolk, Nebraska. Our goal was to find ways of replacing the employment and tax base lost when Tyson closed its packing plant in the city. In addition, we considered the educational challenges facing Norfolk and similar communities. Meeting them successfully will be a critical step in any economic development plan.

To carry out our assignment, we examined the trend data that underlies nearly all of our work. This was supplemented by a variety of trends supplied by Jennifer Adams and the volunteers handling this effort on behalf of the community. By correlating these trends with the assets to be found in Norfolk and the surrounding area, we expected to identify business opportunities that could be developed successfully in this region.

Suitable candidate businesses would share several characteristics. They would operate in substantial markets, rather than niches. They would develop enduring markets based on long-term trends and not depend on fads or transient opportunities. And they would require significant manpower, preferably across a variety of skill and salary levels. On this basis, they would be capable of making significant, lasting contributions to Norfolk and its region.

In the end, we identified three business opportunities that appear to meet our basic criteria. They do not form an exhaustive catalog of the possibilities open to Norfolk, and each business involves significant challenges that must be overcome during the start-up phase. Yet each taps a large and growing market driven by long-term trends in technology and society, and each requires enough manpower to replace a useful number of the positions lost in the Tyson closure. If these specific business concepts cannot be implemented, they at least demonstrate the kinds of opportunity we believe Norfolk must seek in order to brighten its economic future.

Forecasting International already has delivered reports considering each of these business opportunities in some detail, together with a report about Norfolk's future educational needs. In brief, these businesses are:

*Manufacturing RFID tags for the cattle and meat packing industries.* RFID stands for radio-frequency identification. RFID tags operate much like the bar codes used to identify merchandise in a store, but they can be queried at significant distances. This makes it practical to follow tagged cattle throughout their lives, maintain individual health and market records, and quickly track the source of disease outbreaks. Temperature-sensitive tags also can be used to make certain that frozen meat has not accidentally been warmed, further reducing the consumer's risk of food-borne illness. The market for RFID tags is expected to grow by a factor of ten or more within a decade. A Norfolk-area manufacturer tapping this market should find a ready demand for its products. It would supply a useful number of manufacturing and ancillary jobs immediately, with the promise of many more to come in the years ahead.

*A Norfolk amusement park.* The travel industry is one of the largest in the world, and it continues to grow by about 6 percent per year. Regional amusement parks have an advantage over many other forms of entertainment in that they provide a relatively inexpensive, family-oriented break from the pressures of daily life without the need to journey long distances. They are an ideal "draw" both for young families on limited budgets and for fixed-income retirees with grandchildren to occupy. There are no amusement parks within acceptable driving distance of Norfolk, so developing one could attract visitors from any community within a range suitable for a three-day weekend. The primary obstacles to this idea are the need for a substantial area of land on which to build the park and the complexity of managing the business itself. Forecasting

International has contacts in the amusement park industry who would, we believe, be willing to assist in any such effort.

*A medical clinic aimed at budget-conscious patients who otherwise might travel abroad for non-urgent care.* Growing numbers of Americans are visiting India, Thailand, and other far-off destinations for heart bypasses, hip replacements, cosmetic surgery, and many other procedures that can be obtained at costs as little as one-tenth those in the United States. One Bangkok hospital alone served some 58,000 Americans in 2005. This market can only grow as the giant Baby Boom generation reaches its years of greatest medical need in an era when many retirement incomes are likely to be stretched thin. In many ways, this is the most ambitious of our proposals, as regulatory and economic obstacles must be overcome in order to build an American clinic that can compete on a cost basis with its overseas competition. As described in our full report, we believe these challenges can be met successfully. The task is worth undertaking, as this represents a vast market with great employment potential.

It may be concluded that developing a free-standing clinic is too great an undertaking to make at this time. As a fall-back position for Norfolk, we have identified a prominent operator of medical “tours” who would be eager to route patients from the central states and Midwest through the community hospital for preliminary evaluation and preparatory work before their trips abroad. This represents a smaller economic opportunity with less employment potential. However, it offers a way to become familiar with this growing market with relatively little cost or risk.

Taking advantage of these opportunities will require a trained or trainable workforce with a level of education that can no longer be taken for granted in today’s America. This is especially true of a large medical clinic, but running a sound manufacturing business, or even an amusement park, now requires a much greater level and diversity of skill than it would have done a few decades ago. Even the average retail clerk must be capable of dealing efficiently with computerized inventory and sales systems. Thus, no matter how effective Norfolk’s schools already are, making them better will be a key factor in the community’s future prosperity.

We made five recommendations toward this goal: Make much greater use of the educational opportunities provided by computers and the Internet. Adopt efficient methods of individualized instruction to replace old-fashioned ability grouping and today’s one-size-fits-all schooling. Make certain that students have all the facilities they need to learn—this despite severe budget constraints—and then promote only for achievement, not for time served. Provide a comprehensive program of high-tech vocational education for the 70 percent of students who will not go on to college. Promote lifelong learning by providing classes for adults preparing for their next career. And establish an effective system of merit pay for teachers. The details are contained in our education report. For now, let us say only that we believe no community can adequately meet its future educational needs unless it succeeds in carrying out all five of these recommendations.

This study does not offer a comprehensive plan to ensure Norfolk’s prosperity, with employment opportunities for all. Yet we believe that it demonstrates the core characteristics that any such a plan must have if it is to be successful. It also identifies several practical, if challenging, development ideas. These business concepts should be capable of replacing many of the jobs and much of the tax revenue lost when Tyson left the community.

We hope that this research meets both Norfolk’s needs and the expectations of the study group that gave Forecasting International this assignment. We of course remain available to answer any questions or pursue further research that may be needed.

Best regards,

Marvin J. Cetron,  
President, Forecasting International