

In the wake of a pandemic, the most severe increase in unemployment in our history, the looming threat of a second wave of COVID-19, and mostly peaceful protests across the country, **it's time for some good news!** In short, our economy is starting to rebound. Not only is there increased new company prospect interest in our region, but many of the projects that were in the pipeline are now progressing to an announcement. Let's review the reasons for our growing optimism.

Diversification Works. Our concerted efforts, as a community, to diversify our economy, over the past eight years, have really paid dividends. We diversified our economy from one with an overreliance on gaming and tourism to an economy that has experienced significant growth in advanced manufacturing, logistics/e-commerce, and technology companies. According to the Department of Employment, Training, and Rehabilitation, the Reno MSA had an unemployment rate of **19.6%** in April while the Las Vegas MSA was at **33.5% - 70% higher**. The key here is that our economy was much like Las Vegas' eight years ago, but thanks to our diversification efforts, we are weathering this storm quite well and expect to recover much quicker in the months ahead.

Prospect Activity Is Up. It may seem hard to believe, with a nationally closed economy and very little travel over the past 90 days, but we are seeing a significant increase in prospect activity. Since January, the Business Development team added **forty-two new leads** (eighteen distribution/logistics, eighteen manufacturing, and six technology companies). As a result of our efforts to educate these potential companies on the strengths of our region, we now have **fifteen pending announcements**, including nine companies from California, five corporate headquarters, and **1,875 jobs**. With our Bay Area Attraction Campaign, initiated last year, and a prospect list of more than 100 companies, we expect to see continued quality job growth for the foreseeable future.

Entrepreneurial Growth Accelerates. There is no doubt that the pandemic has had a significant impact on the entrepreneurs in the region. Entrepreneurs thrive on collaborative events and coffee, both of which were shut down for the past few months. Fortunately, they are also pretty darn good at adapting and accommodating change, and we are already seeing entrepreneurial activity increasing, especially in early-stage technology companies from California. Our local investor community has also been busy reviewing, negotiating and funding companies. Over the past several months, we have engaged with more than thirty interested technology companies, averaging two to three companies per week. For the first time, we now have a pipeline of smaller, high-growth technology companies that are likely to relocate to our region, increasing the density of startups and further diversifying our local economy.

Existing employers are surviving during this pandemic. While many of our small businesses, especially restaurants and retail, have really suffered, most of the newer companies in the region, manufacturing, logistics, and technology, are doing quite well. They navigated the challenges associated with COVID-19, including the implementation of safety measures such as social distancing, sneeze guards, and workplace sanitation. However, one of their biggest concerns is the impact of the pandemic on their supply chains, causing many to take another look at their dependence on foreign suppliers. Anxiety about the supply chain is occurring nationally, especially with pharmaceuticals and medical supplies. Fortunately, we are well postured to seize on this growing onshoring trend and have already retooled some of our marketing materials to highlight our advantages as a region.

So, there you have it – Good news. There is no doubt that the many of our businesses are suffering and we currently have a record number of unemployed at over 40,000. However, our economy is rebounding! EDAWN has been surprisingly busy over the past few months, and we are seeing increased activity and new opportunities (like onshoring, California outmigration, and medical supply manufacturing). Our community needs these new quality jobs, as many of the jobs we did lose during the pandemic will not return. With your support and engagement, we will continue to work to diversify our economy while attracting and creating the jobs of the future.