New Holstein
Business District
Market Analysis

June 2002

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Prepared in cooperation with the University of Wisconsin – Extension
UWEX Calumet County
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Section 1

Current Situation

This section summarizes issues facing New Holstein's business district and the broader community, and also sets the stage for more detailed data analysis in subsequent sections of this report.

General Conditions

With large empty buildings at both the south and north entrances to the city of New Holstein, and a restaurant and tavern for sale, it became evident early in 2001 that the city would need to take a hard look at economic development. Wisconsin's Smart Growth law demanding a comprehensive plan by 2010 which would include objectives and goals, population and employment forecasts, availability of land and other statistical data was an additional reason to address the issue. The City would begin its Smart Growth plan in 2002. A downtown which was a mixture of residences and retail business needed some attention, and a TIF district with ready to build sites was not attracting enough business.

The mayor contacted the UW-Extension Community Resource Development Educator, Jerry Braatz, to ask him to address the Chamber of Commerce to make suggestions as to which direction the City and the Chamber might go. The result of that contact was a Chamber-sponsored meeting at the Community Center which was well attended by business owners, city officials and interested citizens. The initial meeting at the Community Center brought out some negative citizen views and much mis- information. It was obvious that the City/Chamber would have to work hard to dispel misconceptions about the City and Chamber's role in retaining existing businesses and attracting new business.

By March of 2001 a steering committee was formed which agreed to Braatz's suggestion to have a First Impression exchange with another city and to contract with UW-Extension to have Bill Ryan and Steve Deller, UW faculty, guide the committee through a market analysis. The City and the Chamber agreed to split the cost of the project. The focus of the analysis would be to provide answers to questions about community needs and resources. Demographic studies would show what opportunities the community could realistically expect for the downtown area and the TIF district. Identifying the city's market area was a primary goal, as was determining what markets were underserved, the impact of transient workers on the economy and the significance of two highways in Kiel and Chilton.

By May some retailers and manufacturers had agreed to share demographic buying information with the committee to identify primary trade areas. Committee assignments included identifying the physical characteristics of the three communities (New Holstein, Kiel, Chilton.) A First Impressions exchange held with Oconto Falls resulted in a meeting which addressed both positive and negative views of the city. The negatives which could be taken care of immediately were soon implemented.

Work with Bill Ryan and new UW-Extension Community Resource Development Educator, Mary Kohrell, continued into 2002, and the committee is now ready to address the conclusions.

New Holstein Business Districts

New Holstein has four commercial districts. The districts are contiguous (all located on Highway 57/32). They are spread out from one end of the city to the other and there's a mix of industry, commercial, and residential throughout. A map showing the location of these districts is presented on the following page. Descriptions of each district, including a listing of the names of descriptive businesses within each district, are presented below.

Calumet Drive:

The Calumet Drive district on the northwest side of town is where most of the new expansion has taken place. Businesses include: Car Dealership, Altona Supper Club, Mobil Mart Gas Station, Car Wash, Pamida (vacant), Stell's Piggly Wiggly, Raether's Chiropractic, Aunt Fanny's Fitness Center, Innovative Auto Body, Bob Miller Trucking, Pfister Building, Tri-County Ready Mix, First National Bank, Belke & Associates, Ditter Plumbing, Cooley Building.

Uptown Wisconsin Avenue:

The Uptown district has a collection of older "Main Street" buildings that have had their exteriors refurbished over the years. Businesses include: Elite Tavern, Hairs To You Salon, Triangle Bar, Bonita's Restaurant, Imperial Dry Cleaners, Sippel Funeral Home, First Northern Savings, True Value Hardware, Country Floral, Runday's Tavern, CRW Insurance Office, Beacon – Bowling, Restaurant & Tavern, Golden Shear Barber Shop with Attorney Office, H&R Block Office, and Brandt Dentist. Between Uptown & Downtown are the Apothecary Shop Drug Store & NAPA Auto Parts

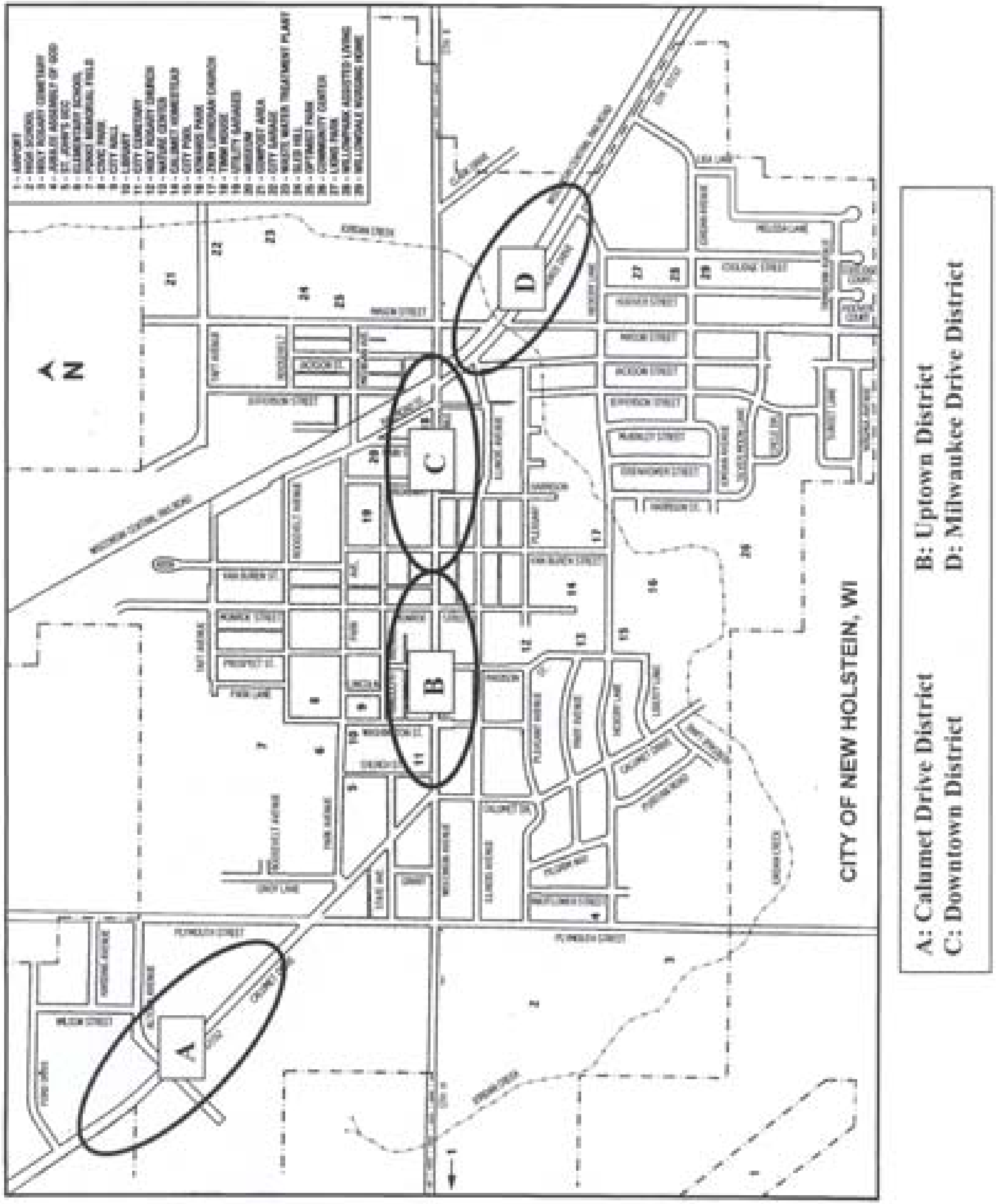
Downtown/Market Square:

Similar to Uptown, downtown is an older business district. It includes a professional building (doctor/dentist), Calumet Equity Insurance, M&I Bank, Post Office, Hair Salon, Das Video, Boll Insurance, Lee's Service Station, Village Inn Restaurant, Classic Cuts Salon, Cowtown Stamps, Amoco Gas Station, The Diner, Museum, Julia's Furniture & Flooring, A.A. Laun, Calumet Feed, Kwik Trip Gas Station, Schaar's Gas Station and La Tec Credit Union.

Milwaukee Drive:

The Milwaukee Drive district, now that the Piggly Wiggly store has moved to its new location, is the smallest of the four districts. It includes the old Piggly Wiggly Store (vacant), JB Signs, Starlite Motel and Southtown Restaurant.

Map Illustrating Location of New Holstein Business Districts



National Trends

According to information provided at the 2002 National Town Meeting on Main Street, held in Fort Worth, Texas, there are several trends affecting retail shopping and Main Street/downtown, including communities like New Holstein.

- Retailing is returning to downtown.

- Older shopping malls and strip centers are declining.
- Demand for main street housing and business sites is increasing especially in larger cities and suburban downtowns.
- The intensified focus on sprawl is positioning main streets as attractive, appealing alternatives.
- The internet is creating new opportunities for main street businesses. “Location-neutral” businesses are seeking out main streets.
- Shopping malls and power centers continue being developed when overall consumer spending is down and no increase in population and buying power.
- Consumer loyalty has disappeared as there are many retailing venues and information.
- Shoppers are spending less time in malls but many consumers use only the mall’s destination businesses. 20 percent of malls today will be something different in twenty years.
- Super stores or category killers are generating one-third of sales today.
- Super store backlash: Are they convenient as they say?
- Convenience. Shoppers have less time to shop.
- Entertainment & entertainment districts. Shopping as live theater. Example: Nike Town, Discovery Channel Store.
- Urban, suburban, rural locations. More and more chain stores are considering downtown or neighborhood commercial district locations; for example: the Gap.
- Negative impacts, especially in suburban locations where brand name stores are forcing out mom and pop businesses.
- Rural population growth may spur new retail development.

Internet and E-Commerce will also have an affect on the New Holstein business district. Consider the following:

- E-Commerce generated over $18.6 billion in total sales in 1999. By 2001, e-commerce sales will reach $65 billion.
- “Main Street” businesses are using the internet to sell more to current customers while providing them with better service.
- Internet has the potential to help downtown retailers generate more jobs, more business-to-business sales and higher occupancy both on first and upper stories.
- 74 percent of 1999 Trend Survey respondents indicated that the number of downtown businesses going on-line had increased.

2

Business Mix Comparison

This section analyzes the mix of retail and service businesses in New Holstein and provides a comparison with nine other similar communities in Wisconsin. The analysis will be used later in this study as part of the determination of business expansion and recruitment opportunities.

Examining the business mix of a downtown or business district provides a useful snapshot of the types and amounts of establishments located in the area. While the mix is useful on its own, comparing it to the business mix in other comparable communities provides a means of determining possible retail and service opportunities and answer questions such as:

- Does our downtown have fewer or more retail businesses than other similar communities?
- Is our community under-served or over-served in specific business categories?
- How commercial sprawl on our edge of town compares with other communities?

Answers to these types of questions are useful in identifying opportunities for future business expansion or recruitment.

Comparable Communities

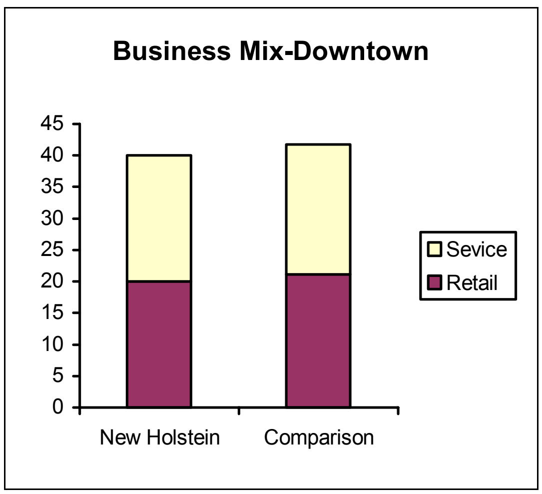
For purposes of this analysis, New Holstein was compared with nine other communities that have a similar population (city/village of 3,000 to 5,000 people), similar distance from a metropolitan area (20 to 30 miles), and a manufacturing base. Nearby comparison communities included Kiel, Chilton and Brillion. Additional communities selected in southern and eastern Wisconsin included Sauk City, Waterloo, Waterford, Horicon, Columbus and Mayville. The following maps illustrate the locations of these communities relative to New Holstein.

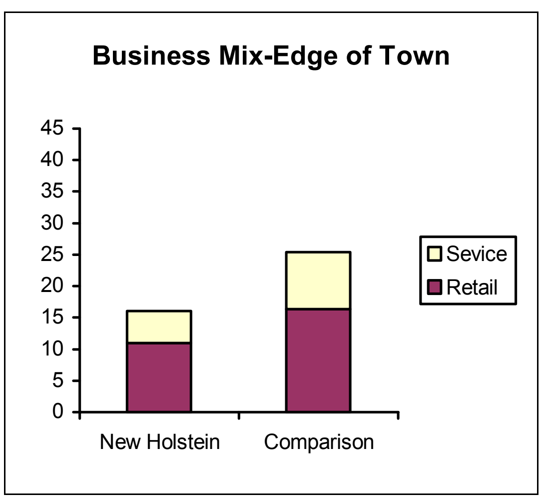
Data Collection

Data was collected on the types of businesses by visiting and walking the streets of New Holstein and the comparable communities. While doing so, the number and type of businesses (by NAICS) was recorded. It is important to note that each business was placed into only one category. The category used was based on the primary type of goods or services provided by the business. For instance, a hardware store may sell some auto parts, but should be categorized as a hardware store if that is its primary line of business.

Data was collected for all retail and service businesses that exist within the city or village limits, (including developments that are contiguous to the city or village) of all communities visited. Businesses were divided into two categories: 1- those located downtown and are within its pedestrian accessible business district and 2- those outside of town that are best reached by automobile. For New Holstein, downtown includes both the "Uptown" and "Downtown" districts. Only those businesses with visible street-front or signage were included. Certain businesses including home-based businesses may not be included in the tallies.

A total of 56 businesses were tallied in New Holstein compared to an average of 67 in the comparison communities. The comparison communities had more businesses on the edge of their towns as illustrated by the graphs below. Detailed data describing the mix of businesses are presented on the tables on the next two pages.





Downtown Businesses					
	New Holstein	Ave. 9 Comp Communities	Kiel	Chilton	Brillion
Retail Store Type					
Auto Truck		.1			
Boat/RV/Snowmobile					
Auto Supply	1	.9			
Furniture	1	.8	2	1	1
Home Furnishings		.6			
Appliance/TV/Computer/Electronics		.6			1
Camera					
Building Materials	1	.4	1		1
Hardware	1	.6	1		1
Lawn/Garden		.2	1		
Food-Grocery		.2			1
Food-Convenience	2	1.1	3		
Specialty Foods		.3	1		
Liquor		.2			
Drug	1	.8	2		1
Gas Stations		.2			
Apparel		.2			
Shoes		.2		1	
Jewelry	1	.3	1		
Luggage					
Sporting Goods		.3	1	1	
Hobby/Toy					
Sewing					
Book		.1			
Department/General Merchandise		.2	1		
Flower	1	.6	1		1
Office Supply	1	.1			
Gift		1.3		2	1
Antiques/Used Merchandise	1	1.6	1	2	
Other (Pets)		.1			
Eating Places	3	4.0	1	4	1
Drinking Places	6	5.0	5	6	4
Service Business Type					
Travel Agencies		.4			1
Banks/Credit Unions	3	2.3	4	3	2
Security and Commodity Brokers		.7	2	1	
Insurance Agents, Brokers	3	2.7	2	3	4
Real Estate Agents and Managers		1.0	1	1	
Lodging Accommodations		.1			
Coin-Op Laundries and Cleaners	1	.7	1	1	1
Photographic Studios		.6			1
Beauty Shops		.9		1	2
Barber Shops	4	1.4	2	1	1
Shoe Repair and Shine					
Miscellaneous Personal Services		.9		1	
Photocopying and Duplicating Services		.1		1	
Rental Services		.1	1		
Employment Agencies		.1			
Computer Related Services		.2			
Auto Repair Services	2	1.0			1
Radio and TV Repair					
Motion Picture Theatres		.1		1	
Video Tape Rental		.6	1		1
Bowling Centers	1	.7	1	1	
Health Clubs/Fitness Centers		.7	1		
Physician Offices	1	1.4	2		2
Dental Offices	2	1.0		3	
Legal Services	1	1.3	1	2	3
Child Care		.2	1		
Museums and Art Galleries	1	.3	1		
Accounting, Auditing and Bookkeeping	1	1.1		3	1

Edge of Town Businesses					
	New Holstein	Ave. 9 Comp Communities	Kiel	Chilton	Brillion
Retail Store Type					
Auto Truck	2	2.1	1	1	3
Boat/RV/Snowmobile		.1			
Auto Supply		.6	1	1	1
Furniture		.2		1	
Home Furnishings		.1		1	
Appliance/TV/Computer/Electronics					
Camera					
Building Materials	2	.1			
Hardware		.6		1	
Lawn/Garden		.3		1	
Food-Grocery	1	1.2	2	1	1
Food-Convenience	1	2.1	1	2	3
Specialty Foods		.8		1	1
Liquor		.4	1		
Drug		.6		1	
Gas Stations		.8	1	3	
Apparel		.1		1	
Shoes		.1			
Jewelry					
Luggage					
Sporting Goods		.3	1		
Hobby/Toy					
Sewing					
Book					
Department/General Merchandise		.2		1	
Flower	1	.2		1	
Office Supply					
Gift		.4			
Antiques/Used Merchandise		.1			
Other (Pets)		.2			
Eating Places	2	4.0	5	5	5
Drinking Places	2	.7	3		
Service Business Type					
Travel Agencies		.1			
Banks/Credit Unions	1	1.3		3	
Security and Commodity Brokers	1	.1			
Insurance Agents, Brokers		.4			
Real Estate Agents and Managers		.6			
Lodging Accommodations	1	.7		1	1
Coin-Op Laundries and Cleaners	1	.8	1		1
Photographic Studios					
Beauty Shops		.2			
Barber Shops					
Shoe Repair and Shine					
Miscellaneous Personal Services		.2			
Photocopying and Duplicating Services					
Rental Services					
Employment Agencies					
Computer Related Services					
Auto Repair Services	1	1.2		2	1
Radio and TV Repair					
Motion Picture Theatres					
Video Tape Rental		.3		1	
Bowling Centers		.1			
Health Clubs/Fitness Centers					
Physician Offices		1.3			1
Dental Offices		.6	1		1
Legal Services		.2			
Child Care					
Museums and Art Galleries					
Accounting, Auditing and Bookkeeping		.8		1	1

Conclusion

As previously mentioned, the business mix comparison allows retail and service businesses to be compared among communities. The following conclusions can be drawn from this analysis:

- New Holstein (downtown and edge combined) has fewer retail businesses than the average of the nine comparable communities and fewer than Chilton and Kiel.
- New Holstein (downtown and edge combined) also has fewer service businesses than the average of the nine comparable communities.
- Unlike most of the comparison communities, New Holstein has a higher percentage of its businesses located in its downtown area as compared to edge of town locations.
- Downtown New Holstein has approximately the same number of retail businesses as the average of the nine comparable communities. It has more retailers than the downtowns in nearby Chilton and Brillion.
- Downtown New Holstein has approximately the same number of service businesses as the average of the nine comparable communities and the downtowns in nearby Kiel, Chilton and Brillion.
- Retail categories under-served in New Holstein that exist (or more abundant) in the comparison communities include:
  - ✓ Specialty foods (bakery, meat market, cheese shop, etc.)
  - ✓ Gift shops
  - ✓ Eating Places (including fast food or family restaurants)
  - ✓ Sporting goods (wide range of small businesses from bike shops to fishing tackle)
- Service categories under-served in New Holstein that exist (or more abundant) in the comparison communities include:
  - ✓ Photographic studios
  - ✓ Video tape rental store
  - ✓ Health/fitness center

These and other categories will be evaluated in more detail later in the report. Certain categories including physicians were not evaluated due to the complexity of their market analysis.

Section

3

Size and Shape of Trade Area

This section describes the size and shape of the trade area for New Holstein businesses. It defines the boundaries that will serve as the basis for further analysis in this report.

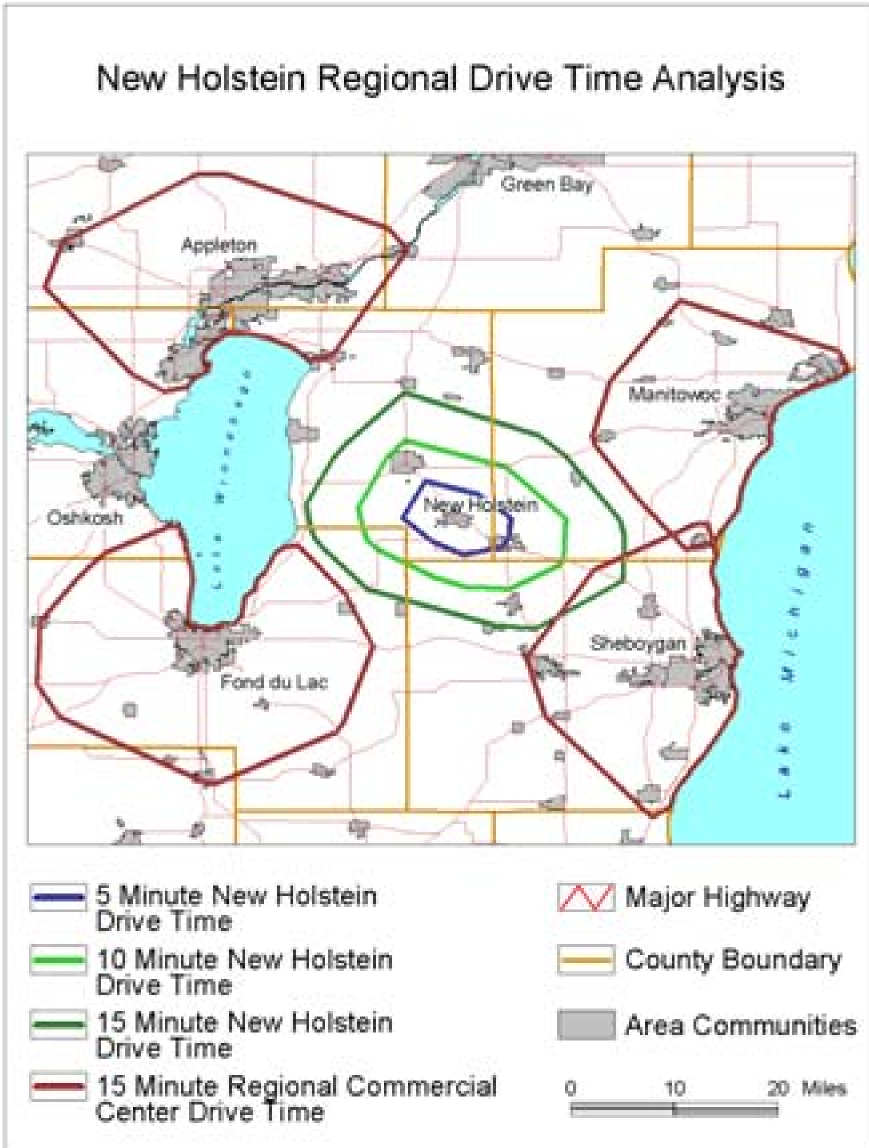
The New Holstein trade area is the geographic area from which the majority of the retail and service business customers (and potential customers) reside. Different business types will have different trade areas. That is, some businesses will draw customers from a greater distance than others. Nevertheless, one geographic area needs to be defined that reflects the overall market area for the community (i.e. the primary trade area).

Local residents, who reside year-round, provide the majority of spending potential for most communities. For some convenience businesses, the primary trade area may represent 90% of the customers. For comparison shopping businesses, the primary trade area may represent less than 50% of the customers. For purposes of market analysis, an overall average of 75% of all customers is used to establish a community's primary trade area.

Commuter employees who work at local manufacturing businesses represent a sizable market segment for communities like New Holstein. While many of these employees live outside of the primary trade area, they need to be recognized as an important market segment as they provide the potential to stay and make purchases.

Drive Time Analysis

In analyzing both the local resident and commuter employee market segments, an understanding of drive times around New Holstein (and other regional commercial centers) is helpful. Drive time is simply the number of minutes it takes to drive to a point (in this case, downtown New Holstein) based on the road network in the region. The following map illustrates 5, 10 and 15-minute drive times around New Holstein and 15-minute drive times around other regional commercial centers.



Analysis

The map indicates that Chilton and Kiel are clearly within a short drive of New Holstein (5 to 10 minutes). The proximity of these two communities suggests that they can be combined with New Holstein to form one market area with distinct business districts. Furthermore, the map shows the separation of New Holstein from the competing regional commercial centers of Appleton, Fond du Lac, Manitowoc and Sheboygan. While the fifteen-minute drive times around these commercial centers are close to that of New Holstein, the only overlap is with the Sheboygan area.

Local Resident Market

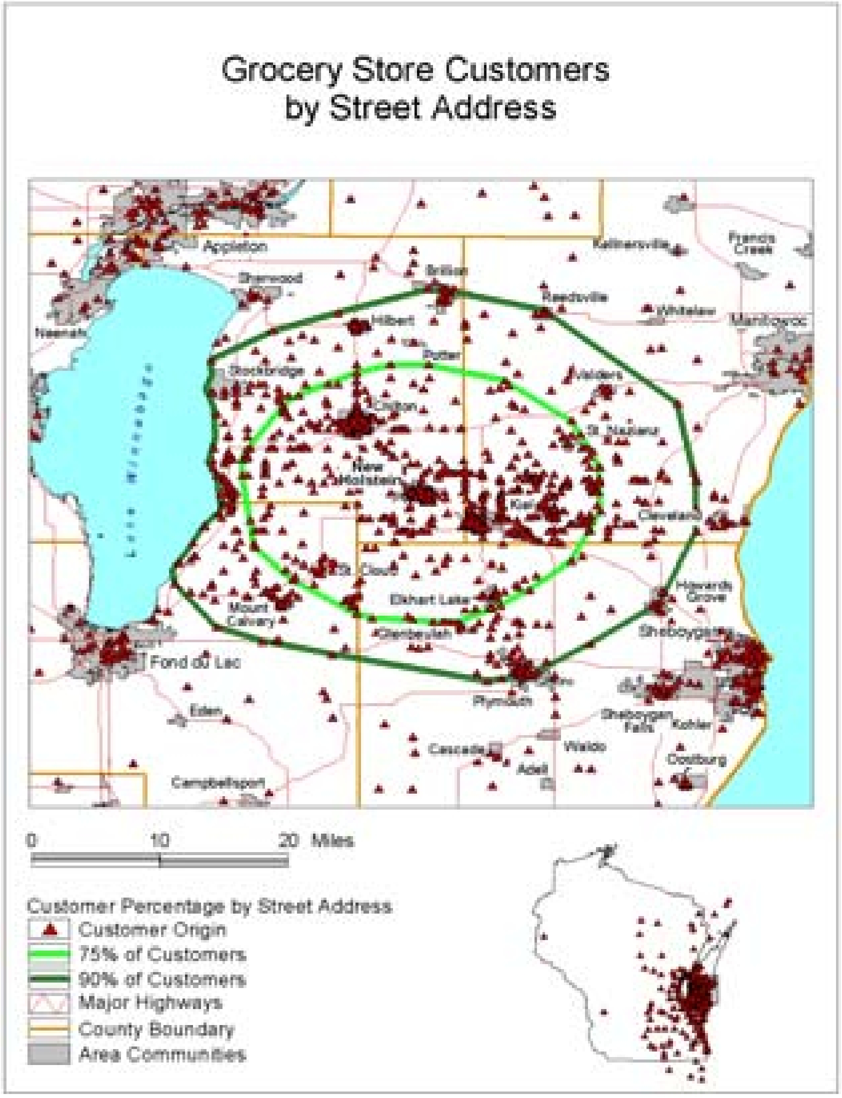
In this study, actual customer addresses were used to define the trade area of New Holstein. Customer addresses were obtained from a variety of representative businesses including:

- Grocery Store
- Drug Store
- Furniture Store
- Hardware Store

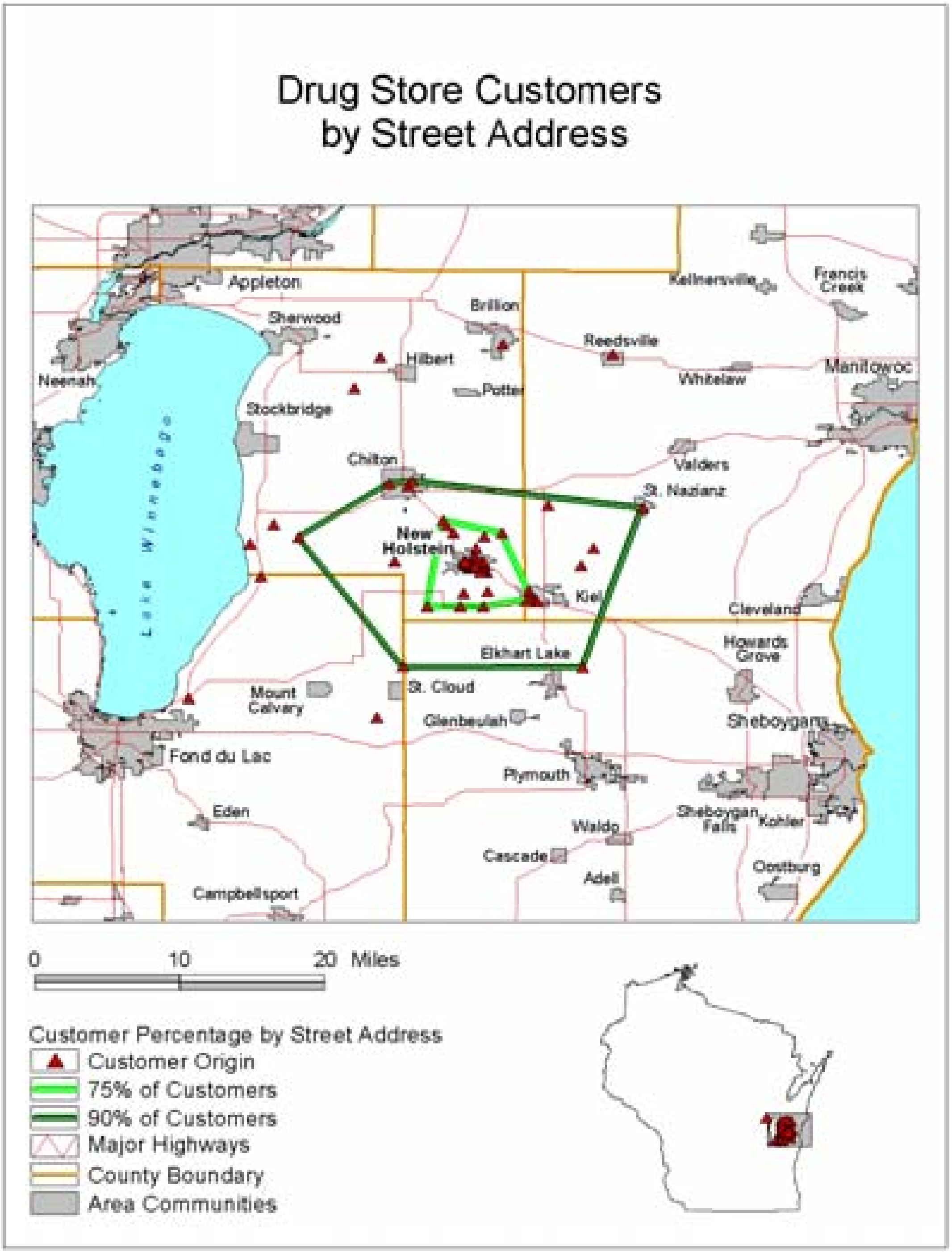
Actual customer addresses for each of these businesses were input and analyzed using Geographic Information Systems (GIS) software. Other people who shop in New Holstein -- people visiting friends/relatives; traveling businessmen/women; tourists and some distant employees represent other important consumer markets that may not be not shown on these maps.

This method provides an estimate of the “community” retail trade area. We must recognize that each business has a unique trade area. Also, there are goods and services that will attract customers from larger or smaller trade areas. Often, people residing in the trade area purchase certain goods and services outside the area. Similarly, there are outsiders who purchase goods and services in New Holstein. However, this method does have distinct advantages as it is based on actual customer data.

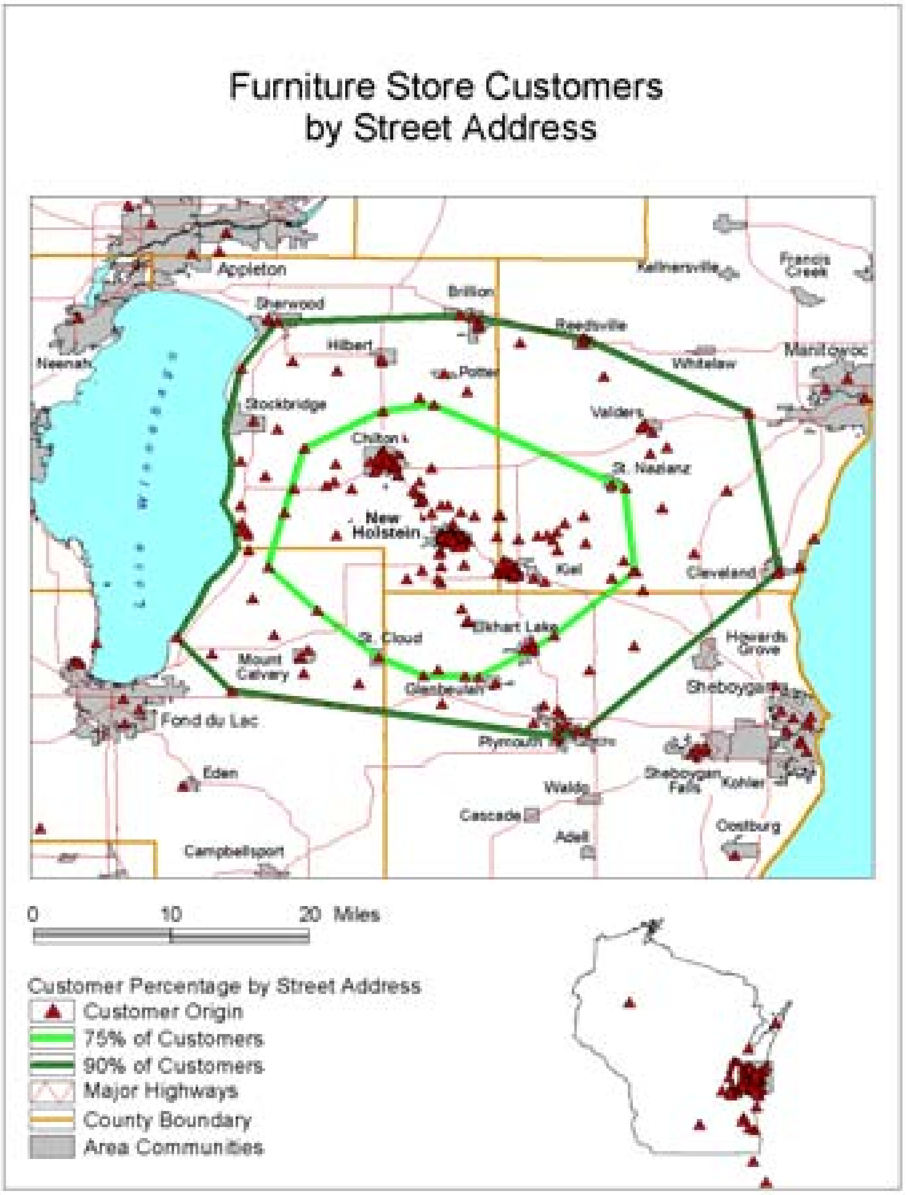
A summary of the results is presented on the following representative maps and tables. The triangles on the maps represent points where customers for each sample business reside (in some neighborhoods where there are many customers, the triangles may be stacked on top of each other, making it difficult to see the significance of that neighborhood). The maps and tables also indicate the areas that capture 75% and 90% of each business' customers. As mentioned earlier, an overall average of 75% (from a sample of businesses) is used to establish a community's primary trade area.



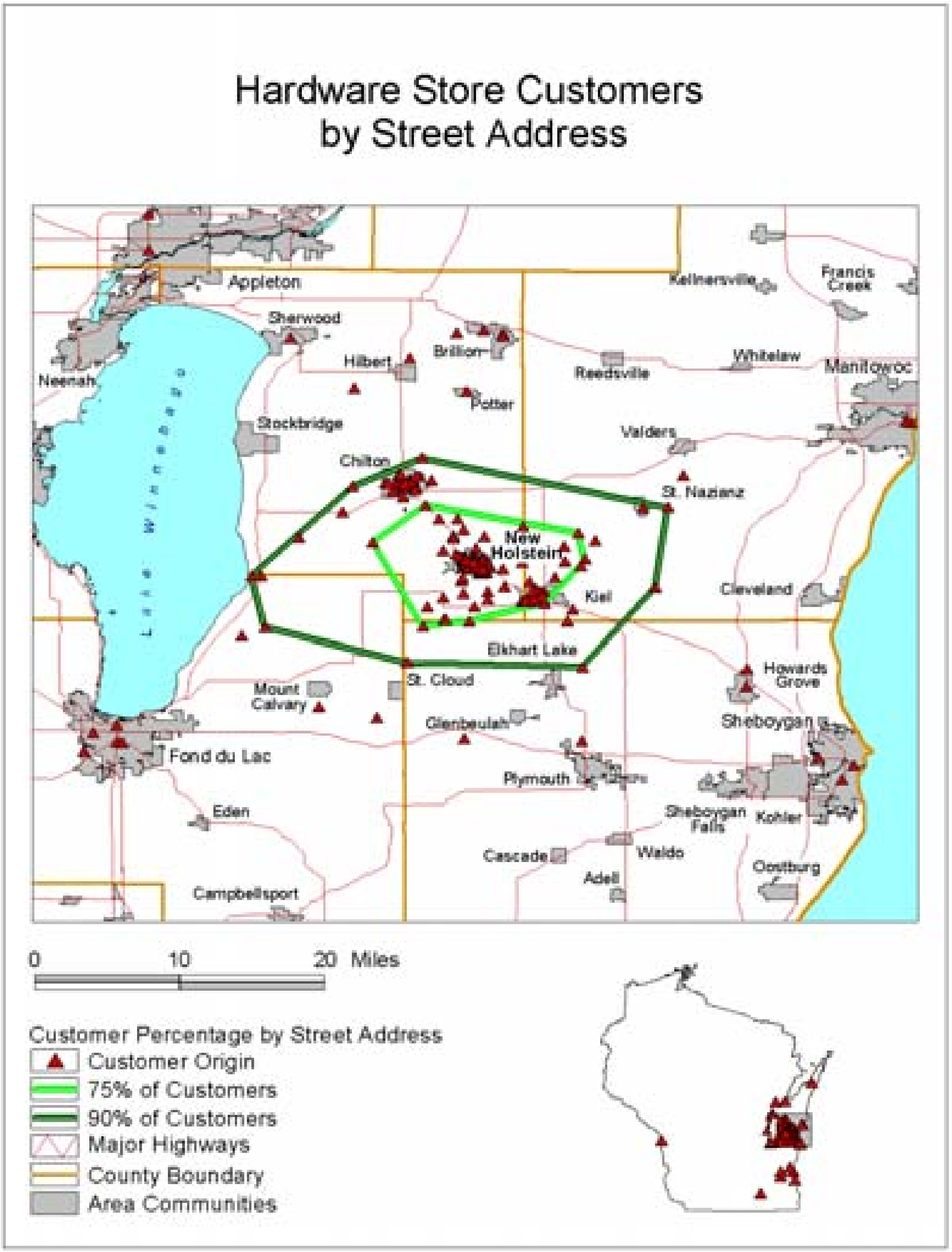
Grocery Store Customer Summary			
Zip Code	**Customer Count**	**Customer Percent**	**Cumulative Percent**
53061	1944	32.8%	32.8%
53014	1034	17.5%	50.3%
53042	1012	17.1%	67.4%
53020	304	5.1%	72.5%
53079	214	3.6%	76.1%
53049	157	2.7%	78.7%
54129	136	2.3%	81.0%
53073	97	1.6%	82.7%
53057	86	1.5%	84.1%
54232	67	1.1%	85.3%
54935	64	1.1%	86.3%
53081	61	1.0%	87.4%
54245	60	1.0%	88.4%
53023	43	0.7%	89.1%
53063	43	0.7%	89.8%
53015	41	0.7%	90.5%
Total	**5363**	**90.5%**	**90.50%**



Drug Store Customer Summary			
Zip Code	**Customer Count**	**Customer Percent**	**Cumulative Percent**
53061	78	72.2%	72.2%
53042	10	9.3%	81.5%
53014	8	7.4%	88.9%
Total	**96**	**88.9%**	**88.90%**



Furniture Store Customer Summary			
Zip Code	Customer Count	Customer Percent	Cumulative Percent
53061	282	40.9%	40.9%
53014	100	14.5%	55.4%
53042	94	13.6%	69.0%
53020	29	4.2%	73.2%
54129	21	3.0%	76.2%
53703	18	2.6%	78.8%
54232	16	2.3%	81.2%
54935	14	2.0%	83.2%
53081	9	1.3%	84.5%
53085	9	1.3%	85.8%
53023	8	1.2%	87.0%
53079	8	1.2%	88.1%
54245	8	1.2%	89.3%
53057	7	1.0%	90.3%
Total	**623**	**90.3%**	**90.30%**



Hardware Store Customer Summary			
Zip Code	**Customer Count**	**Customer Percent**	**Cumulative Percent**
53061	309	66.3%	66.3%
53014	51	10.9%	77.3%
53042	42	9.0%	86.3%
53020	10	2.1%	88.4%
53079	8	1.7%	90.1%
Total	**420**	**90.1%**	**90.10%**

Analysis

The previous maps and tables demonstrate that the 53061 (New Holstein), 53014 (Chilton) and 53042 (Kiel) zip codes comprise approximately 75% or more of the customers for each of the four retail businesses. Both the hardware and the drug store draw the majority of their customers from the 53061 zip code, with smaller percentages originating from the 53014 and 53042 zip codes. Both the grocery store and furniture store have similar customer distributions, as they draw the majority of their patrons from the 53061 zip code. However, these two businesses draw a greater percentage of their customers from the 53014 and 53042 zip codes than either the hardware store or drug store. Nonetheless, these businesses show that most customers originate in the three zip codes previously listed.

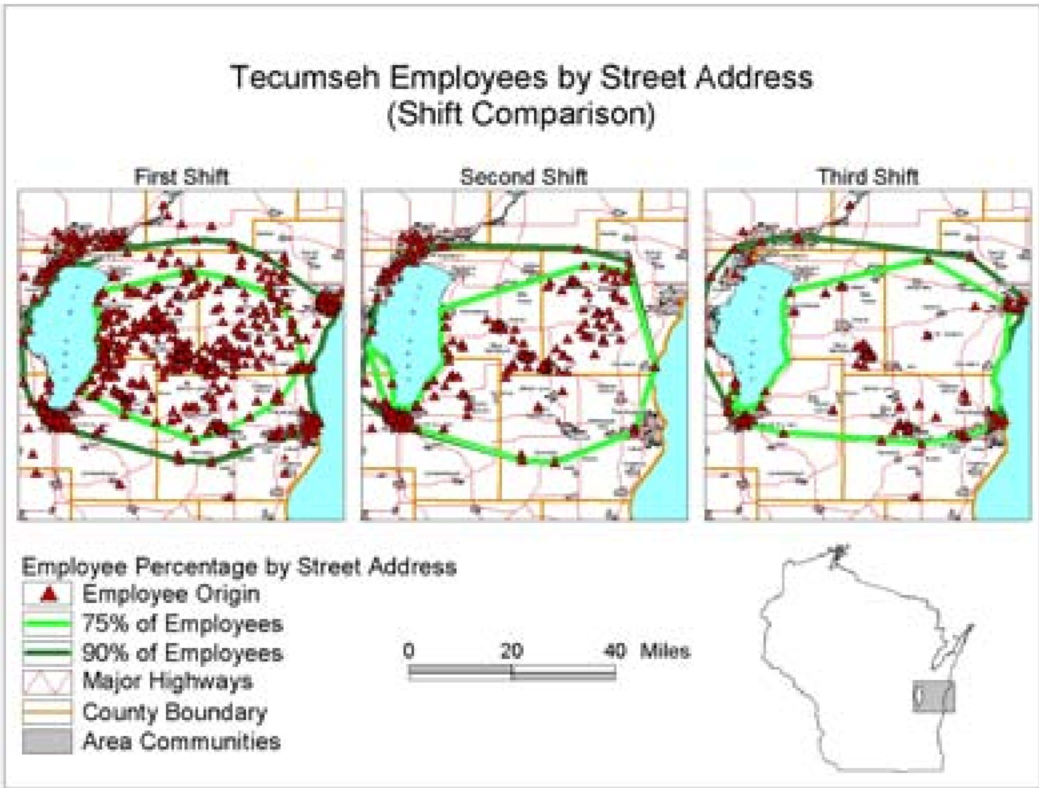
A possible argument could be presented for including the 53020 (Elkhart Lake) zip code. The 53020 zip code is the fourth most prevalent zip code for three of the retailers. Additionally, for two of the retailers the 53030 zip code is included in 75% of the customers. However, the proximity of Elkhart Lake to Plymouth makes it unlikely that Elkhart Lake would be included in a general trade area for all of New Holstein.

Commuter Employee Market

In this study, employees who commute to town were also considered in defining the trade area of New Holstein. Employee addresses were obtained from three employers. However, the employee counts for Amerequip and Metko were insignificant when compared to that of Tecumseh. Therefore, the analysis of the commuter employee market focused on Tecumseh.

As before, actual employee addresses for each of these businesses were input and analyzed using Geographic Information Systems software. A summary of the results is presented on the following representative map and table.

The triangles on the maps represent points where employees reside (in some neighborhoods where there are many customers, the triangles may be stacked on top of each other making it difficult to see the significance of that neighborhood). The maps and tables also indicate the areas that capture 75% and 90% of the firm's employees. As mentioned earlier, an overall average of 75% (from a sample of businesses) is used to establish a community's primary trade area.



Tecumseh First Shift Summary			
Zip Code	**1st Shift Count**	**1st Shift Percent**	**Cumulative Percent**
53061	288	28.7%	28.7%
53042	153	15.3%	44.0%
53014	130	13.0%	56.9%
54220	64	6.4%	63.3%
53049	54	5.4%	68.7%
54129	50	5.0%	73.7%
54110	33	3.3%	77.0%
Tecumseh Second Shift Summary			
Zip Code	**2nd Shift Count**	**2nd Shift Percent**	**Cumulative Percent**
54935	89	22.9%	22.9%
54232	39	10.0%	32.9%
54230	32	8.2%	41.1%
53061	30	7.7%	48.9%
53042	29	7.5%	56.3%
53014	26	6.7%	63.0%
54245	25	6.4%	69.4%
54241	12	3.1%	72.5%
54937	11	2.8%	75.3%
Tecumseh Third Shift Summary			
Zip Code	**3rd Shift Count**	**3rd Shift Percent**	**Cumulative Percent**
53061	31	23.7%	23.7%
54935	19	14.5%	38.2%
53073	16	12.2%	50.4%
54220	11	8.4%	58.8%
53083	6	4.6%	63.4%
54129	5	3.8%	67.2%
53085	5	3.8%	71.0%
54937	4	3.1%	74.0%

Analysis

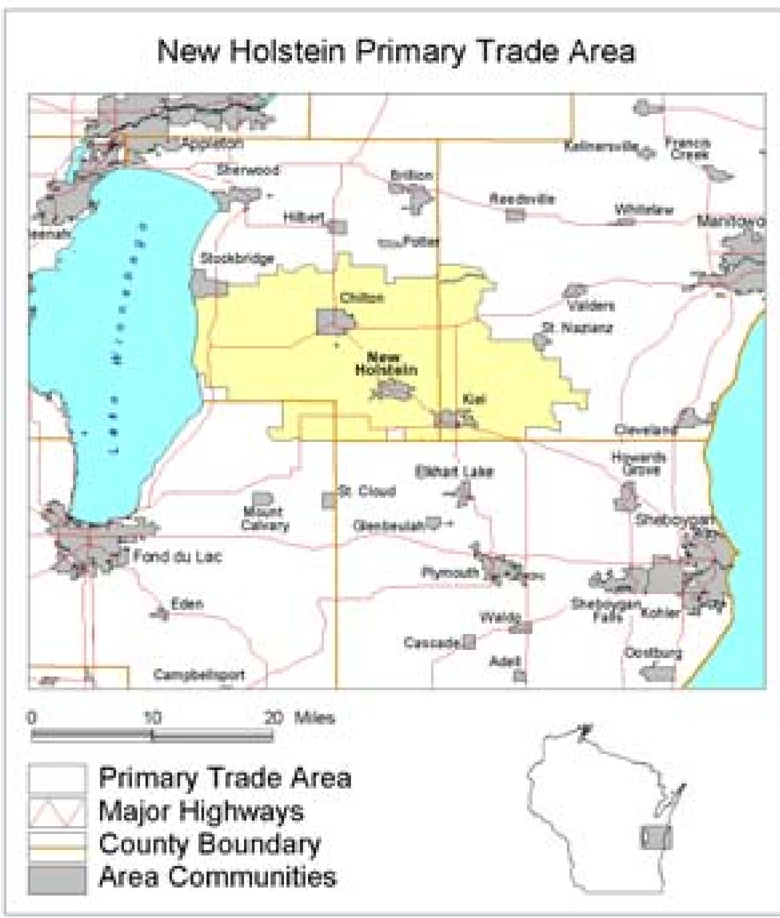
Tecumseh's first and largest shift shows that the majority of employees resides in the 53061, 53042 and 53014 zip codes and is mostly local in origin. However, a significant percentage of first shift employees originate in more distant zip codes as well. An initial examination of the second and third shift shows that these employees are less local in origin than the first shift employees. More specifically, a large percentage of employees originate in the 54935 zip code (Fond du Lac) for both shifts. While this is a noteworthy observation, it is important to note that these shifts are considerably smaller than the first shift. Subsequently, these more distant employees may have a smaller (but still significant) impact on the trade area.

Conclusion - Size and Shape of Trade Area

The Committee studied the customer and employee origin data along with the GIS maps. Based on their analysis of the data and maps and their knowledge of New Holstein, the Committee delineated the primary trade area for New Holstein presented in the following table and map. The following zip codes serve as the primary trade area for the remainder of the market analysis:

Zip Code	Community
53061	New Holstein
53014	Chilton
53042	Kiel

The primary trade area for New Holstein consists of the New Holstein, Chilton and Kiel zip code areas. Normally, a community the size of New Holstein would have its own primary trade area separate and distinct from neighboring and comparably sized communities. But due to the close proximity of the Chilton and Kiel, and given the overlap among these communities with respect to customer and employee origin, it is appropriate to analyze the trade area from a broader perspective. Furthermore, the drive time analysis shows these three zip codes are centrally segregated from the four regional commercial areas of Appleton, Fond du Lac, Manitowoc and Sheboygan. The adoption of the three proposed zip codes will allow analysis of business opportunities for New Holstein that are lacking in the other two communities and separated from regional shopping areas.



Section

4

Demographic and Customer Characteristics

This section provides key economic, demographic and lifestyle data for the primary trade area defined in Section 3. This data and the trends they reveal are important as they have a direct impact on the potential sales of retail goods and services.

Demographic Trends

In this section are demographic data tables that describe the primary trade area (Zip Codes for New Holstein-53061, Chilton-53014 and Kiel-53042) in comparison with comparable communities and the state of Wisconsin. The data presented in this section was purchased from CACI in the form of their Market Profile Report.

The combined zip code demographic data for eight "comparison communities" is presented in the second column of each table. The eight comparison communities include Brillion, Sauk City, Waterloo, Evansville, Waterford, Horicon, Columbus and Mayville. These communities were chosen because of a similar geographic location relative to New Holstein (eastern or southeastern part of the state), similar city or village population (3,000 - 5,000), and in most cases, a significant manufacturing base.

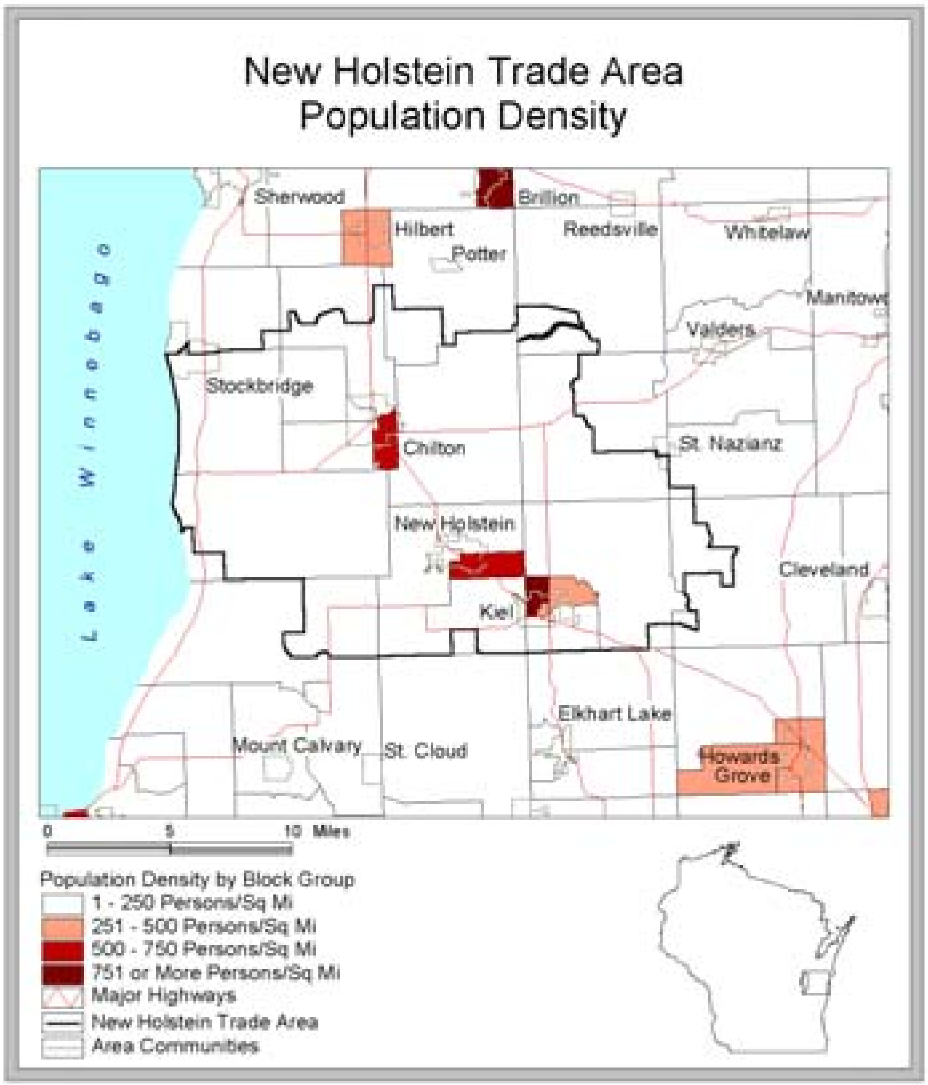
The third column in each table provides comparison data for the State of Wisconsin.

At the time of this report, full demographic data from the 2000 U.S. Census Bureau was not available. However, the estimates provided by CACI appear reasonable and provide adequate precision for purposes of this study.

Population and Households

Population and household data allows you to quantify the current market size and examine future growth. Population is defined as all persons living in a geographic area. Households consist of one or more persons who live together in the same housing unit, regardless of their relationship to each other (including all occupied housing units). Typically, demand is generated by individual or household purchases. Households can be categorized by size, composition, or their stage in the family life cycle. Members of the family influence a household purchase, such as a new computer. Anticipated household or population growth may indicate future opportunities for a retailer.

The New Holstein primary trade area includes the zip code areas of 53061, 53014 and 53042 has a estimated 2000 population of 21,000. The following population density map (by block group), displays the concentration of population in the primary trade area.



Larger population concentrations are located 30 miles to the northwest (Appleton), 20 miles to the southwest (Fond du Lac), 25 miles to the northeast (Manitowoc) and 25 miles to the southeast (Sheboygan). These communities have much larger trade areas that overlap the New Holstein primary trade area in many categories.

Between 1990 and 2000, the population of the primary trade area is estimated to have increased by 11%, slightly less than the 14% rate for the comparison communities but more than the 8% rate for the state. The New Holstein trade area's growth is expected to continue over the next five years by 4.5%, growing to nearly 22,000. This growth will be similar to the comparable communities and will outpace the states projected growth of 2.6%. Growth in population, especially if related to new housing, will increase consumer-spending potential in the primary trade area.

The average household size in the primary trade area is 2.72, higher than the averages for the comparison communities and Wisconsin. In 2000, the number of households in the New Holstein primary trade area is estimated to be 7,530. Like the population projections, the number of households will grow at a pace slightly less than the comparison communities, but more than the state.

POPULATION Population information allows you to quantify the market size and measure future growth. Population is defined as all living persons in a geographic area. Group quarters include non household living arrangements such as military barracks, college dormitories, long-term health care facilities, group homes, boarding houses, prisons, and ships.

	Trade Area	Comparison	State
2005 Population Projection	21,699	59,496	5,414,897
2000 Population Estimate	20,755	56,967	5,277,833
1990 Census Population	18,715	49,910	4,891,769
2000 Population Per Square Mile	85	97	97
2000 Group Quarters Population	282	434	140,073

HOUSEHOLDS Households consist of one or more persons who live together in the same housing unit, regardless of their relationship to each other. Households include all occupied housing units.

	Trade Area	Comparison	State
2005 Household Projection	7,957	22,197	2,075,676
2000 Household Estimate	7,530	20,999	2,003,695
1990 Households	6,627	17,959	1,822,118
% Annual Household Growth: 1990 - 2000	1.5	1.9	1.1
1990 % Households			
With 1 Person	20.6	20.0	24.3
With 2 Persons	32.4	32.5	32.8
With 3 Persons	16.3	17.4	16.6
With 4 Persons	16.5	17.9	15.6
With 5 Persons	9.5	8.4	7.1
With 6 Persons	3.3	2.6	2.4
With 7+ Persons	1.5	1.1	1.2
2000 Average Household Size	2.72	2.69	2.56

Age

Age is an important factor to consider because personal expenditures change as an individual ages. Drug stores and assisted care services flourish in areas with a large elderly population. Accordingly, drug stores often do well in communities with a larger number of people over the age of 65. Additionally, realizing and catering to the needs of an aging population can be beneficial to any retailer. Toy stores, day care centers, and stores with baby care items are successful in areas with many children and infants. Clothing stores and fast food establishments thrive in retail areas that contain a large concentration of adolescents. Theatres serve a broad section of the population; however, specialized entertainment and recreation options can target certain age segments.

The New Holstein primary trade area population is slightly older than the comparison communities and the state. Seniors (those people age 65+) in the primary trade area make up 14.8% of the population compared to 12.1% in the comparison communities and 13.1% in the state.

2000 POPULATION BY AGE Population by age provides valuable information as to the relative maturity or youth of a particular market. Median age divides the age distribution into two equal parts, one-half falling below the median and one-half above.

	Trade Area	Comparison	State
% Under Age 5	5.8	6.4	6.2
% Age 5-14	15.3	15.5	14.5
% Age 15-17	5.3	5.0	4.5
% Age 18-20	4.2	4.1	4.8
% Age 21-24	4.3	4.4	5.3
% Age 25-34	11.5	13.0	12.8
% Age 35-44	15.9	16.5	16.4
% Age 45-54	13.8	14.1	13.7
% Age 55-64	9.3	8.9	8.7
% Age 65-74	7.1	6.2	6.6
% Age 75-84	5.5	4.5	4.7
% Age 85 +	2.2	1.4	1.8
Average Age of Total Population	37.9	36.4	36.9
Median Age of Total Population	37.5	36.1	36.2

Household Composition

New Holstein has a larger population of married couple families than do both the comparison communities and the state of Wisconsin (88% verses 85% and 78%, respectively).

FAMILIES/HOUSEHOLDERS	Trade Area	Comparison	State
1990 Family Households	5,061	13,609	1,275,172
1990 Non Family Households	1,566	4,350	546,946
1990 Family Households With Children	2,519	6,979	648,670
% Married Couple Family	88.3	85.2	77.8
% Male Householder	3.1	3.9	4.0
% Female Householder	8.6	10.9	18.1
1990 % Households			
% W/children < 18	38.5	39.4	36.1
% W/person 65+	28.3	24.9	24.5
% W/householder 65+	26.6	23.3	22.8

Housing

The number of homeowners and the rate of housing turnover is an important factor for numerous retailers. Home ownership directly correlates with expenditures for home furnishings home equipment. Home improvement, furniture, appliances, hardware, paint/wallpaper, floor covering, garden centers and other home products all prosper in active housing markets.
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New Holstein has a larger percentage of single-family detached housing units than do both the comparison communities and the state of Wisconsin (77% verses 76% and 65%, respectively). Likewise, the rate of owner-occupied units in New Holstein (79%) is higher than in the comparison communities (75%) and the state of Wisconsin (67%).

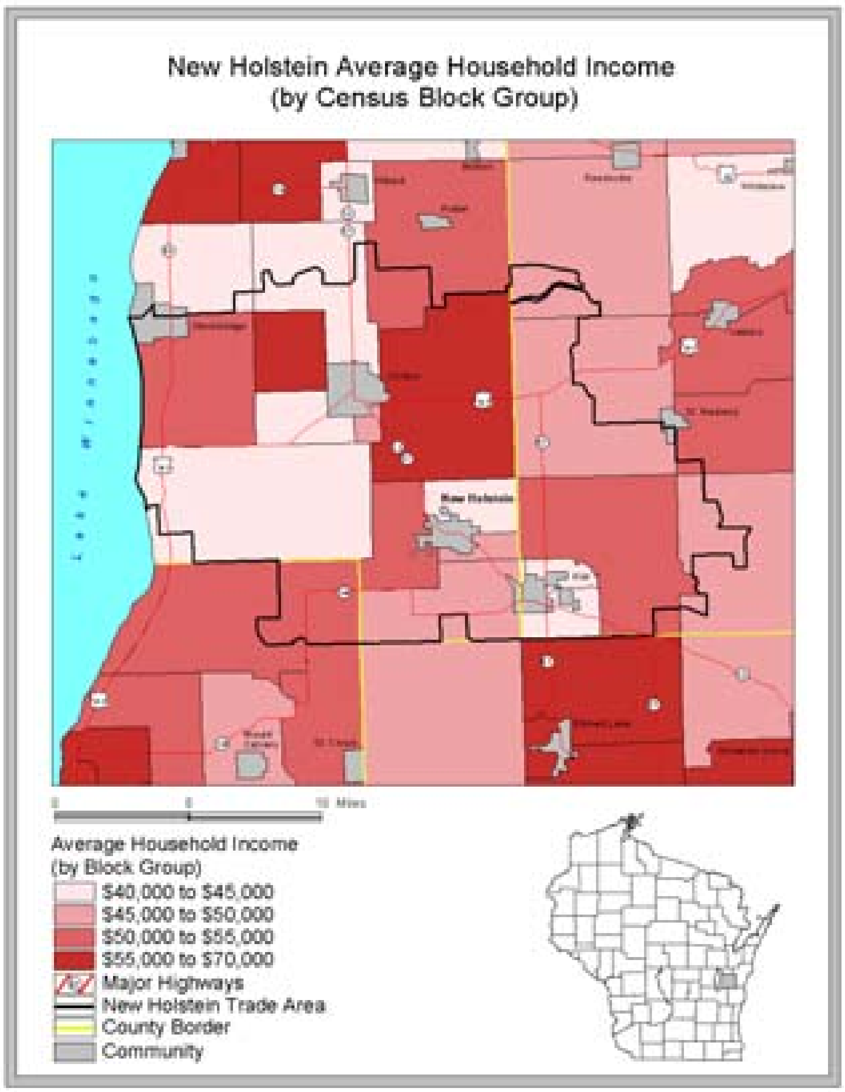
HOUSING Housing units are defined as a house, apartment, mobile home or trailer, a group of rooms, or a single room occupied as separate living quarters or, if vacant, intended for occupancy as separate living quarters.

	Trade Area	Comparison	State
1990 Total Housing Units	7,260	19,001	2,055,774
% Occupied	91.2	94.6	88.6
% Vacant	8.8	5.4	11.4
% Year-round	2.9	3.4	4.0
% Seasonal	5.9	2.1	7.3
1990 Total Housing Units in Structure	7,260	19,001	2,055,774
% Single, Detached	76.5	75.8	65.3
% Single, Attached	0.9	1.4	2.5
% 2 Units	9.2	8.4	9.6
% 3-9 Units	4.4	5.7	7.8
% 10-49 Units	2.2	3.3	6.4
% 50+ Units	0.0	0.0	2.1
% Mobile Home or Trailer	5.6	3.7	4.9
% Other Units	1.2	1.7	1.4
1990 Total Occupied Housing Units	6,620	17,967	1,822,118
% Owner-occupied Units	79.5	74.6	66.7
% Renter-occupied Units	20.5	25.4	33.3
Owner/Renter Ratio	3.9	2.9	2.0

Income

Household income is a good indicator of spending power of residents. Household income positively correlates with retail expenditures in many product categories. Retailers may consider the median or average household income in a trade area or seek a minimum number of households within a certain income range. Another common practice is to analyze the distribution of household incomes. Discount stores avoid extreme high or low-income areas. Traditional department stores focus on markets with incomes over $35,000, while some specialty fashion stores target incomes above $75,000. A few store categories including auto parts are more commonly found in areas with lower household incomes. Using income as the sole measure of a market's taste preference, however, can be deceptive.

Sections of the New Holstein trade area have higher average household incomes than others. The accompanying map illustrates average household income levels by block group for an area including the primary trade area and expanded into northern Calumet County, northeastern Fond du Lac County, northwest Sheboygan County, and eastern Manitowoc County, with average incomes ranging from $40,000 to $70,000 per year. Some of the relatively higher income neighborhoods within the primary trade area are located east of Chilton/north of New Holstein ($55,000 - $70,000) and west of New Holstein ($50,000 - $55,000).



The following data shows that the New Holstein primary trade area is estimated to have similar income levels as the comparison communities and the state. The primary trade area has an estimated median household income in 2000 of $48,656, approximately $500 more that the comparison communities and over $4,000 for than the state. However, it trails the comparison communities and the state in per capita income due in part to its higher average household size.

Approximately 62% of the New Holstein primary trade area households earn between $35,000 and $100,000. This compares to 61% for the comparison communities and 53% for the entire state. The greatest percentage of households in the New Holstein zip code areas (24.8%) fall under the household income category of $50,000-$74,999. The New Holstein primary trade area has 15.8% of its households falling under $25,000 household income compares to 16.4%for the comparison communities and 22.5% for the state.

2000 INCOME Income is a good indicator of the spending power of your market. Per Capita Income includes the income of all persons 15 years old and over. Median Income divides the income distribution into two equal parts, one-half falling above the median and one-half below.

	Trade Area	Comparison	State
% Under $10,000	5.8	4.6	7.2
% $10,000-$14,999	3.2	2.8	4.5
% $15,000-$24,999	6.8	9.0	10.8
% $25,000-$34,999	12.0	12.7	13.6
% $35,000-$49,999	23.9	22.9	20.9
% $50,000-$74,999	24.8	25.4	21.8
% $75,000-$99,999	13.3	12.6	10.5
% $100,000-$149,000	8.2	8.1	7.8
% $150,000+	2.0	1.9	2.8
2000 Per Capita Income	$21,199	$22,252	$22,127
2000 Average Household Income	$57,792	$59,976	$57,746
2000 Median Household Income	$48,656	$48,136	$44,486

Education

Education is another way to determine the socio-economic status of an area. Because income increases with advancing educational attainment, many retailers focus on income level rather than education. One exception is bookstores which are often sited by developers based on the number of college educated individuals in the trade area. Similarly, computer and software stores are often located in areas with high levels of education.

New Holstein has a higher percentage or people who have attained up to a high school degree (45.8%) compared to the comparison communities (44.7%) and the state (37.1%). However, it has a lower percentage of people with bachelor and graduate degrees (9.8%) the comparison communities (12.2%) and state (17.7%).

EDUCATION The education variables are another way to determine the relative socio-economic status of an area. Population enrolled in school provides information on the population ages 3 & over. Educational attainment classifies persons age 25 & over according to their highest level of school or degree completed.

	Trade Area	Comparison	State
1990 Pop Enrolled in School			
% Preprimary School	6.6	7.7	7.4
% Elementary & High School	77.8	75.9	65.9
% College	15.6	16.5	26.7
1990 Educational Attainment	11,887	31,763	3,094,226
% Elementary School (0-8 Years)	15.9	10.0	9.5
% Some High School (9-12 Years)	9.8	11.7	11.9
% High School Graduate only (12 Years)	45.8	44.7	37.1
% Some College (13-15 Years)	18.6	21.4	23.8
% Bachelor Degree	7.3	9.0	12.1
% Graduate Degree	2.5	3.2	5.6
Average Years of School Completed	11.4	12.0	12.4

Employment

Many retailers use the concentration of white or blue-collar workers as another gauge of a market's taste preferences. Specialty apparel stores thrive on middle to upper income areas and above average white-collar employment. Second hand clothing stores and used car dealerships are successful in areas with a higher concentration of blue-collar workers. Office supply stores and large music and video stores are especially sensitive to the occupational profile. These retailers target growth areas with a majority of white-collar workers.

Due to the presence of several large manufacturers in New Holstein and the related trade area, a large number of employed residents work in manufacturing (43%) as compared to 39% in the comparison communities and 30% in the state of Wisconsin. Likewise, the number of white-collar employees in New Holstein is lower than that in comparison communities and the state of Wisconsin.

	Trade Area	Comparison	State
1990 Total Employed	9,360	25,615	2,386,439
% White Collar	35.8	42.7	52.3
% Executive & Managerial	6.6	7.8	10.2
% Professional Specialty	7.9	8.4	12.7
% Technical Support	2.3	3.3	3.4
% Sales	7.3	8.3	10.6
% Administrative Support	11.6	14.9	15.3
% Blue Collar	43.2	39.4	29.8
% Precision, Production, Craft & Repair	14.3	15.0	11.5
% Machine Operator	18.3	15.0	9.7
% Transportation & Material Moving	3.8	4.7	4.2
% Laborers	6.8	4.6	4.3
% Service	11.5	11.1	13.6
% Private Household	0.2	0.1	0.2
% Protective	0.7	0.7	1.2
% Other	10.6	10.3	12.2
% Farming, Forestry, & Fishing	9.6	6.8	4.3
White/Blue Collar Ratio	0.8	1.1	1.8

	Trade Area	Comparison	State
1990 Industry Employment	9,359	25,622	2,386,439
% Agriculture, Forestry, Fishing	10.4	7.7	4.6
% Mining	0.1	0.1	0.1
% Construction	4.3	5.8	4.9
% Manufacturing: Nondurable Goods	10.6	10.4	9.3
% Manufacturing: Durable Goods	29.2	23.4	15.1
% Transportation	2.5	3.6	3.8
% Communications & Public Utilities	1.0	2.0	2.0
% Wholesale Trade	3.9	3.8	4.0
% Retail Trade	13.1	13.8	17.1
% Finance, Insurance, Real Estate	3.0	5.1	5.8
% Service: Business & Repair	2.0	2.9	3.7
% Service: Personal	1.6	1.7	2.5
% Service: Entertainment & Recreation	0.4	0.7	1.1
% Service: Health	5.9	6.1	8.8
% Service: Educational	6.1	6.2	8.2
% Service: Other Professional & Related	4.3	4.1	5.5
% Public Administration	1.6	2.5	3.2

Consumer Classification and Lifestyle Segmentation

This section provides a description of the people who live in the trade area. This is important because different consumer groups will have different buying behaviors. These differences must be understood before retail development strategies can be established.

ACORN™ consumer classification data was purchased from CACI™ Marketing systems to provide a useful information about households in the trade area. ACORN™ data is available for individual neighborhoods for the entire country. Consumers are classified into 40 demographic and behaviorally distinct clusters. The clusters are based on type of neighborhood (urban, suburban, rural); the residents' socio-economic status (age, income, occupation, type and value of residence); and their buying behaviors and preferences. ACORN™ data is updated annually using various national and local data sources.

The following table presents the ACORN segments for the trade area.

New Holstein Primary Trade Area
New Holstein-53061, Chilton-53014 and Kiel-53042
ACORN Segments

ACORN Clusters, 1998	Households	%
7A-Middle America	4,100	55%
7F-Rustbelt Neighborhoods	1,500	20%
Sub-Total	5,600	75%
Total Households	7,500	100.0%

The following provides a more detailed summary of the top two ACORN lifestyle segments in the primary trade area. These clusters represent 75% of the households in the trade area.

Consumer Type 7A: Middle America
4,407 Households (75%) of the New Holstein Primary Trade Area

The largest consumer market is rural, slightly older, and family oriented. The neighborhoods are newer, owner-occupied, single-family homes; the income, average.

Demographic: The demographic profile of these communities is similar to the U.S. population--just a little older, more white, and more family. The median age is 35.6 years; slightly older with more householders aged 35-44 and fewer under 25 years. Seventy percent of households are married couples, compared to 55 percent for the U.S. The distribution of children is similar; family size is average, 3.1 persons per family.

Socioeconomic: Middle America is a megamarket, representing almost 8 percent of U.S. households and a market share of almost 7 percent. Median household income is $33,300. Almost 35 percent of these households earn less than $25,000, but very few are below the poverty level. Labor force participation is average; unemployment, 5.2 percent, below average. Most of the work force is employed in manufacturing or farming. Thirty percent commute to a different county or state to work.

Residential: Middle America is rural nonfarm neighborhoods, located primarily in the Midwest (41 percent) or South (34 percent). Single-family and mobile homes predominate. More than 15 percent are mobile homes, twice the national proportion. Their homes are owner-occupied and valued at an average of $79,700, 30 percent lower than the national average. Most were built after 1970.

Buying Habits: How does the Middle America market spend its time and money? Their lives are busy and centered around the home. Leisure activities include hunting, fishing, and needlework. Their budget priorities are home-oriented: improvements, children's apparel and toys, footwear, videos, and lawn, garden, and camping equipment. Most of the families own pets. They are likely to take domestic trips by car. This market ranks high for having personal loans (not education), and is also likely to have auto loans (for new cars), secured line of credit, savings, home mortgage loans, and CDs. However, this market tends not to use credit cards. Media preferences include reading newspapers 3 times a week, and reading magazines such as *Family Circle*, *Field & Stream*, *Country Living*, *Country Home*, and *Ladies Home Journal*.

Consumer Type 7F: Rustbelt Neighborhoods
2,680 Households (20%) of the New Holstein Primary Trade Area

Rustbelt Neighborhoods are residents of the Rustbelt--an older population in the older, industrialized cities and towns of the Northeast and Midwest. Some of the industries in these old cities have long since gone; the residents remain.

Demographic: The population of Rustbelt Neighborhoods is stable, but aging. Younger householders are leaving the areas; older residents remain. The median age of 37.2 years belies the concentration of householders over 55. The households are also typical of an older population: married couples, some with adult children still at home, and single-person households.

Socioeconomic: The economic vitality of these industrialized areas has waned. Almost 40 percent of the population has retired. Labor force participation is below average. The remaining jobs are mainly blue collar, skilled, unskilled and service occupations. Manufacturing remains the chief industry. Wages and Social Security yield a median household income of $28,200.

Residential: Rustbelt Neighborhoods homesteads are located on older, urban streets in metropolitan cities and smaller towns. Most of the homes are owner-occupied, single-family houses, but town- and rowhouses or duplexes are also common. Average value is low, $59,000. These communities can be found in urban areas throughout the United States, although concentrated in the Northeast and Midwest, in states like Ohio, Pennsylvania and West Virginia.

Buying Habits: Rustbelt Neighborhoods spend money on their homes: home improvements and furniture. They tend to drive mostly used cars. Civic and public activities are relevant among these consumers. Other budget splurges include lottery tickets, toy cars and trucks, and crayons for children. They are top-ranked for buying 2+ pairs of canvas shoes. Leisure pursuits include taking domestic trips, hunting and fishing, outdoor vegetable gardening, and shopping at malls. Rustbelt Neighborhoods consumers are top-ranked for using coupons for beauty and household cleaning products. Their media preferences include watching television. They rank among the highest for watching videos and for reading magazines such as Star, Field & Stream, and Woman's Day.

Section
5

Economic Characteristics

This section summarizes economic, employment and highway data about New Holstein and its business districts. It also provides some insight on potential impact of in-commuter spending on the community.

Economic Data

Personal Income Trends

Personal income trends provide an important measure of economic activity for a local area over time. Personal income consists of the income that is received by persons from participation in production, from government and business transfer payments, and from government interest. When compared to state and national trends, it provides an indication of how well the local area's economy is performing.

Personal Income Trends
Calumet County, Wisconsin
1991 - 2000 (in Millions of Dollars)

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Calumet	590	661	687	743	780	829	870	935	990	1,038
Index	100%	112.0	116.4	125.9	132.2	140.5	147.5	158.5	167.8	175.9
Wisconsin	92,669	99,453	104,337	110,569	115,959	121,863	128,920	136,958	143,704	150,963
Index	100%	107.3	112.6	119.3	125.1	131.5	139.1	147.8	155.1	162.9
U S (billions)	5,065	5,376	5,598	5,878	6,192	6,538	6,928	7,418	7,769	8,314
Index	100%	106.1	110.5	116.1	122.3	129.1	136.8	146.5	153.4	164.1
Source: U.S. Dept. of Commerce, Bureau of Economic Analysis, Regional Accounts Data, Local Area Personal Income										

This table provides data to describe Calumet County's personal income trends. An index was added to show how different areas have grown since 1990 (i.e. an index of 175.9% indicates that the personal income has grown 76% since 1991). In this example, Calumet County has exceeded the U.S. and state growth in personal income. This provides one indicator of the relative economic health of this region.

Earnings Mix

While personal income trends relate a community's relative economic health as a whole, the earnings in various sectors provide a snapshot of the industry mix in an area. Earnings include wage and salary disbursements, other labor income, and proprietor's income (both farm and non-farm). These numbers can be related as individual numbers, or as a percentage to provide an understanding of the industry distributions. Furthermore, comparing the numbers for a local area to those of a larger area, such as an entire state, point to differences in the local economy.

The table below compares Calumet County with the State of Wisconsin. These numbers relate percentages of total earnings in a variety of industry sectors. An analysis of these numbers show that the local area has a large manufacturing base when compared that of the State. Furthermore, the service sector shows a lower percentage of earnings.

Earnings Mix Comparison
Calumet County, Wisconsin
2000

Industry Sector	Calumet County	State of Wisconsin
Farm	1.9%	0.4%
Construction	7.7%	6.6%
Manufacturing	46.6%	25.7%
Transportation	2.7%	5.9%
Wholesale Trade	6.0%	6.1%
Retail	7.6%	9.0%
F.I.R.E	3.8%	7.0%
Services	10.7%	24.3%
Government	10.5%	14.3%

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

Employment Data

A number of the largest employers in the New Holstein primary trade area are presented below with an approximate number of full time employee equivalents. As shown, there is a strong reliance on manufacturing employment within the trade area, with schools, government, the medical community and service/retail also employing large numbers of people. Tecumseh, a small engine manufacturer, is the largest employer and is located in downtown New Holstein.

Major Employers, New Holstein Primary Trade Area

Company	Product	Employment
New Holstein		
Tecumseh	Engines	1000
Amerequip	Farm & Utility Implement/ General metal fabrication	300
Metko, Inc.	Metal fabricators	40
Milk Specialties	Feed for Ag. Industry	50
Piggly Wiggly	Retail	65
Loyal Ford	Retail & Maintenance	25
Lakeside	Agriculture, Storage, & Bldg	25
New Holstein School District	Preschool-12th grade education	197
City of Kiel		
Stoelting	Cheese, dairy, soft serve equip.	160
HUI	Hightech metal Fabricator	115
H. B. Weber	Paper handling	108
Sargento	Specialty cheese packaging	215
A. A. Laun Furniture	Wood Furniture	75
Land O'Lakes	Cheese packaging	200
Kiel School District	K-12th grade education	180
K & M Grocery Store	Retail Grocery	80
Kiel Foundry	Iron Foundry	10
City of Chilton		
Chilton Products	Metal stamping	377
M-B Corp.	Sweeper and paint	103
Briess Ind.	Malt products	100
Chilton Manufacturing	Metal fabrication	25
Kaytee Products	Pet feeds	348
American Finishing Resources	Cleaner	35
Wal-Mart	Retail	109
Calumet Medical Center	Hospital/Homecare	200
Calumet County	County government	300
Vern's Cheese	Cheese packaging	35

Source: City of New Holstein, WPS, UWEX; 2001 and May 2002

In-Commuter Economic Impact

Small communities with large employers often have a significant day-time population made up of commuters. These in-commuters offer the retail and service businesses in a community an additional market opportunity to generate sales.

Research by Steve Deller and Martin Shields suggests that sales are higher in regions with higher levels of in-commuting[1]. Further, research by Gary Green points to significant dollars spent by commuters in their daily travels to and from work[2].

Significance of Commuter Spending

Commuter expenditures will vary based on commuter characteristics and their travel time to places of employment. Recent research by Green highlights the significance of commuter spending in Kenosha County. During the summer of 2001, a sample of Kenosha County workers who were employed outside of the county were studied. The average weekly costs of commuting (primarily vehicle costs) from this particular county are presented below:

Gasoline	$24.86
Maintenance/Repairs	$ 4.10
Tolls	$ 2.30
Other	$ 2.05
Total Commuting	$33.31

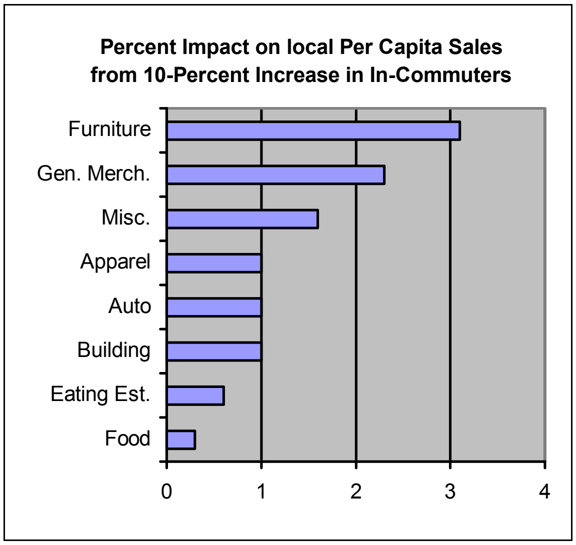
In addition, commuters spent a significant amount each week on retail and other expenses as presented below. These expenditures total over $75 per commuter per week or $3,500 per year.

Groceries	$16.83
Restaurants	$17.68
Retail Purchases	$34.13
Other	$ 7.08
Total Retail/Services	$75.88

These expenditures point to significant expenditure leakage from a commuter's home community. Further, grocery, restaurant and retail expenditures, together, were almost three times greater than gasoline expenditures.

Distribution of Commuter Expenditures

Research by Steve Deller and Martin Shields using county-level sales data for Wisconsin has found statistically significant relationships between the number of in-commuters and retail spending in eight out of ten general retail categories as presented in the chart below[2]. The only exceptions were drug stores and, surprisingly, gas stations (not presented in the chart). The percentage increase in local per capita sales (of host community resident population excluding commuters) due to a 10 percent increase in number of in-commuters varied from 0.3 percent (food) to 3.1 percent (furniture). The following chart illustrates which retail categories in a community benefit most from in-commuting according to this study.



While this chart will probably look different from community to community, it does indicate that commuters can have an impact on more than just food (groceries) and eating establishments. In fact, furniture and general merchandise stores can also capture in-commuter dollars.

Capturing Commuter Expenditures

The magnitude of spending that a community can capture from in-commuters depends on whether commuters are prone to spend their money near their place of work or near their residence. For many products and services, the factors that influence a commuter's decision on where to shop are based on convenience and minimizing drive-time. Factors include:

- Availability of specific retail and service businesses in the host community that may not be available in the commuter's home community;
- Location on key commuting routes and on the appropriate side of road during drive time;
- Clear visibility of the business;
- Traffic speed, traffic lights and dedicated turn-lanes that help the commuter access a site;
- Convenient hours during primary commuting hours (early morning, late afternoon);
- Drive-through windows (banks, dry cleaners, take-out food, pharmacies, etc.);
- Chain affiliation that has an appeal and is recognized by out-of-town commuters;
- Convenient parking that allows commuters to and park in sight of the door; and,
- A critical mass of other businesses that make a stop more convenient for the commuter.

It is important to remember that not all commuters are the same. The demographics and lifestyles of in-commuters will dictate what they will buy. As with any consumer segment, business operators must always pay attention to their building's appearance, management and personnel, and overall service.

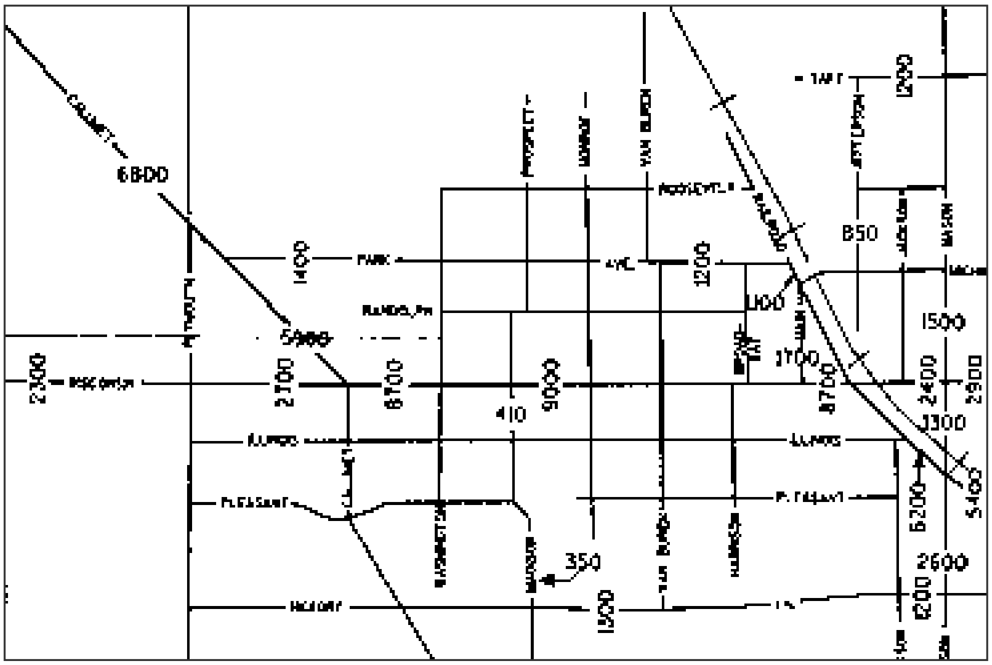
Finally, expansion or development of retail and services for commuters does not necessarily require highway strip development on the edge of town. In fact, in-fill locations closer to the center of the host community or even walking distance to places of employment offer commuters the opportunity to make their purchases before (or after) they embark on their commute.

Sources:
1. Martin Shields and Steven C. Deller, "Commuting's Effect on Local Retail Market Performance." Review of Regional Studies 28(2), 1998,: 71-79
2. Green, Gary P., "Kenosha County Commuter Study", Department of Rural Sociology, University of Wisconsin-Madison, 2001

Traffic Data

New Holstein Business districts are all along the Highway 57/32 corridor. The highest traffic volume is in the Uptown and Downtown districts with approximately 9,000 vehicles on an average day. The Calumet Drive area has an average of 6,800 vehicles per day while the Milwaukee Drive area has an average of 6,200 per day.

Average Daily Traffic Counts, Wisconsin Department of Transportation, 2000



Section 6

Assessing Consumer Attitudes

This section summarizes survey research conducted by the New Holstein chamber of Commerce in 2000. It also includes results obtained from an employee survey of Tecumseh and Ameriquip employees in January 2002.

Surveys of customers and potential customers provide a useful set of data about the interests, spending habits, and wishes of these current and potential customers. Survey results can be a useful tool to help existing businesses assess customer satisfaction. They can also be considered one component of market research for potential businesses or business expansion.

Tecumseh/Ameriquip Survey Results
In January 2002, approximately 1200 employees of Tecumseh and Ameriquip in New Holstein were asked to complete a brief survey about their shopping habits. Surveys were included in the envelopes with employee payroll checks. Completed surveys were used as an employee's entry into a contest to win a $100 "Chamber Bucks" certificate. One certificate was awarded at each company.

There were 324 employee responses, which represents approximately a 27 percent response rate, as follows: 111 (34% of the total) from employees who reside in New Holstein; 92 (28%) from employees who reside in the Kiel/Chilton trade area; and 117 (36%) completed surveys from employees who reside outside trade area. The New Holstein/Kiel/Chilton trade area represents 63% of survey responses. The following tables and descriptions summarize the results of the employee survey.

Question 1: Do you shop for products and services in New Holstein?

Shop in New Holstein	53061 (NH) 111 responses	Trade Area (Chilton/Kiel) 92 responses	Outside Trade Area (commuters) 117 responses)
Yes	93 (84% of 111)	77 (84% of 92)	86 (74% of 117)
No	18 (16%)	15 (16%)	31 (26%)

Frequent responses as to why respondents do not shop in New Holstein include: prices are too high, poor selection, no competition, and inconvenient hours (often from commuters and respondents who appear to work second or third shift).

If respondents indicated they shop in New Holstein, they were asked the open-ended question, **"where do you shop?"** Results were analyzed to see if any differences exist in shopping habits among New Holstein residents, people who reside in the larger trade area (Kiel and Chilton) and the commuter employees. There were some slight differences with higher response rates for businesses generally reported by New Holstein residents.

Groceries, gas and hardware are the most common items purchased. Piggly Wiggly was patronized by slightly more than 60% of New Holstein resident respondents, and by just under 50% of the other groups. True Value Hardware was listed by 50% of survey respondents who reside in New Holstein, and by approximately 25% of other survey respondents. Kwik Trip and Fannin's Mobil were noted by approximately 20% of survey respondents. Other stores received mention, but at lower percentages than those already indicated.

Question 2: How could the local business community better serve you and earn your business?

How Businesses Should Better Serve	53061 (NH) 111 responses	Trade Area (Chilton/Kiel) 92 responses	Outside Trade Area (commuters) 117 responses)
Better product/service selection	69 (62% of 111)	48 (52% of 92)	42 (36% of 117)
More convenient hours	13 (11%)	16 (17%)	25 (21%)
Enhanced marketing and advertising	13 (11%)	12 (13%)	19 (16%)

Question 3: What additional retail or service businesses would you like to see in New Holstein?

Add'l Retail/Service Stores Desired	53061 (NH) 111 responses	Trade Area (Chilton/Kiel) 92 responses	Outside Trade Area (commuters) 117 responses
Auto Supply Stores	10 (11% of 111)	11 (12% of 92)	10 (8% of 117)
Furnit/Home Furnishing	11 (11%)	3 (3%)	5 (4%)
Appliance/Electronics	36 (32%)	13 (14%)	17 (15%)
Building Mat'ls/Hardware	12 (11%)	12 (13%)	8 (7%)
Food-Grocery	63 (57%)	37 (40%)	27 (23%)
Drug Stores	6 (5%)	0 (0%)	13 (11%)
Gas Stat'ns/Convenience	3 (2%)	1 (1%)	7 (6%)
Apparel	33 (30%)	46 (50%)	33 (28%)
Sporting Goods	40 (36%)	23 (25%)	34 (29%)
Department Stores	76 (68%)	51 (55%)	**42 (36%)**
Eating Places	58 (52%)	38 (41%)	**52 (44%)**
Drinking Places	11 (11%)	1 (1%)	7 (6%)
Banks/Credit Unions	2 (2%)	0 (0%)	2 (1%)
Barber/Beauty Shops	2 (2%)	2 (2%)	2 (1%)
Video Tape Rental	25 (23%)	7 (7%)	4 (3%)
Bowling Centers	6 (5%)	2 (2%)	3 (3%)
Gym/Fitness Centers	18 (16%)	6 (6%)	11 (9%)
Child Care	11 (11%)	4 (4%)	5 (4%)
Physicians	15 (14%)	7 (7%)	17 (15%)
Dentists	7 (6%)	3 (3%)	9 (8%)

Question 4. If a new restaurant were added to New Holstein, what type would you like to use?

Type of Restaurant	53061 (NH) 111 responses	Trade Area (Chilton/Kiel) 92 responses	Outside Trade Area (commuters) 117 responses)
Fast Food	66 (60% of 111)	22 (24% of 92)	54 (46% of 117)
Full-Service Family	72 (65%)	57 (62%)	58 (50%)
Ethnic	31 (28%)	12 (13%)	22 (18%)
Tavern W/Food	20 (18%)	2 (2%)	9 (7%)
Fine Dining	6 (5%)	28 (30%)	20 (17%)

Question 5. In what communities do you usually patronize the following businesses?

Business Category	Top Response	Second Response	Third Response
Auto Supply Stores	New Holstein	Chilton (tied with FdL)	Fond du Lac
Furnit/Home Furnishing	Appleton	Chilton	Fond du Lac
Appliance/Electronics	Appleton	Fond du Lac	Chilton
Building Mat'ls/Hardware	Fond du Lac	Appleton	New Holstein
Food-Grocery	New Holstein	Kiel	Chilton
Drug Stores	New Holstein	Chilton	Fond du Lac
Gas Stat'ns/Convenience	New Holstein	Chilton	Kiel
Apparel	Fond du Lac	Appleton	Sheboygan
Sporting Goods	Appleton	Fond du Lac	Plymouth
Department Stores	Fond du Lac	Appleton	Sheboygan
Eating Places	Other	Fond du Lac	Appleton
Drinking Places	New Holstein	Other	Kiel
Banks/Credit Unions	New Holstein	Chilton	Kiel
Barber/Beauty Shops	New Holstein	Kiel	Chilton
Video Tape Rental	New Holstein	Kiel	Chilton
Bowling Centers	New Holstein	Chilton	Other
Gym/Fitness Centers	New Holstein	Fond du Lac	Chilton
Child Care	New Holstein (tied with Fond du Lac)	Fond du Lac	Chilton
Physicians	Chilton	Kiel	New Holstein
Dentists	New Holstein	Kiel	Fond du Lac

New Holstein Chamber of Commerce Survey Results

In 2000, the New Holstein Chamber of Commerce conducted a casual survey of customers at local retail establishments. Following are customer responses. This information is useful when attempting to assess potential areas of improvement or customer wishes.

Responses relating to businesses within the community of New Holstein

Question 1: What impresses you most about New Holstein?

1. "The friendliness of local business owners."
2. "Businesses are generally customer-friendly-help with special needs."

Question 2: What impresses you least about New Holstein?

1. "A bit too parochial, making us appear somewhat averse to growth."
2. "Does not seem to be much effort to get new businesses in district. Look at Kiel!! School district budget cuts will affect our best natural resource-our children!! We as a community need to find ways to involve our children and each other so we can all benefit. Not cut all budgets for the sake of satisfying the non-progressive people!"
3. "City new stuff-for example: McDonalds, Wal-Mart, etc. and having only one grocery store is not right. We should be able to choose between two stores. Instead we must drive 4 miles or 7 miles to have a choice. Only one stores gives that person the right to have higher prices in their product, especially for those who can't leave town (illness or health)."
4. "Empty buildings (Pamida, old Stells, etc), decreasing industry."
5. "The smell from Milk Specialties. How the mayor sticks her nose in everything. The Main Street-its lack of a theme: like "historical" or "all brick" or "modern" or "all family homes." It is so hodge-podge. It's a <u>drive-thru</u> town. Its inability to encourage the development of new businesses."
6. "There are only a few select restaurants to choose from."
7. "It's not progressive at all. We need fast food joint to employ our teenagers and draw business. Chilton and Kiel get everything. Why? Watch Fleet Farm come to Chilton or Kiel also."
8. "Grocery store only open until 9 p.m. Would like at least 10 p.m. Only one grocery store. No chain fast food-i.e. Fazoli's, Burger King, etc."
9. "I think we cannot turn down businesses that want to come here. We should want them and help them come here."
10. "No "variety" store, i.e. Evans, Wal-Mart. Could use public transportation in town-cab-company or something."
11. "That the city government does not try to get more businesses in the city."
12. "<u>No new businesses</u> coming into our community! Having one grocery store!"
13. "One grocery store-prices exceed what they are in Kiel or Chilton or even larger cities-not convenient for retired elderly citizens. Also too many empty large buildings."
14. "One grocery store-no variety store-no indoor pool. Not a fast food or large family restaurant."
15. "We need a shopping place for everyday needs (socks, underwear, school supplies, toys, sheets). You always have to go out of town, and it would generate employment for young people."
16. "No stores, too many old homes and buildings that should be torn down. Example: Old Pudlo building!"
17. "Some appearances on Main Street. Many places throughout town could use paint. Too many places empty. The old drug store on the corner looks terrible. Could use a clothing store and another <u>grocery store</u> for competition."
18. "No clothing, shoe, or variety stores. Only one grocery store."
19. "Lack of department store or discount store-shopping."

20. “Not enough shopping opportunities for competitive selections, especially in grocery, hardware, drug stores (Bad need of another grocery store and variety store. This should be a priority.)”
21. “Could use some growth in the industry and shopping departments.”
22. “Only one grocery store.”
23. “The city is dying-no new businesses-forcing people to go elsewhere. A nice city for old people!”
24. “Downtown-too spread out, doesn’t look like a downtown.”
25. “The amount of retail stores in the city. There is no place to go for clothing. If you need a pair of socks you have to take a trip out of town.”
26. “Loss of businesses-we are going backward instead of forward.”
27. “Not growing like Kiel, Plymouth, Chilton, etc. Everything is for Tecumseh and even that is fading!”
28. “Empty buildings”
29. “The buildings that should be torn down or repaired.”
30. “The need for industry/business development.”
31. “No shopping. Won’t let new businesses come in and compete. I think calling New Holstein “Cow Town” is degrading. We don’t need anymore parks-we need more industry. We need a family restaurant that is open 7 days a week. Why can’t we have a national chain fast food restaurant? Overheard visitors to athletic events complain about this.”
32. “That there is no push to get new business into the community. Business growth is needed if this city wants to survive and be prosperous.”
33. “One grocery store taking over the whole town. No fast food restaurant-why?”
34. “The mayor and council members and their lack of attracting new business and growth in the city.”
35. “Empty businesses.”
36. “Just a few run-down and shabby buildings. Empty stores.”
37. “The lack of business places in New Holstein.”
38. “The inability of city government to foresee plant and store movement out of town.”
39. “City doesn’t seem to be keeping up with neighboring communities. Seems the Chamber of Commerce works to keep some businesses out.”
40. “We need more business/shopping center-miss Pamida.”
41. “This town needs new businesses. It’s a shame Sargent’s Cheese Co. didn’t build here. It bothers us a lot to see many empty buildings for sale and for so long. We need to somehow attract more businesses to our town. Kiel and Chilton have been doing well in that way-why are businesses selecting these towns instead of New Holstein? Change in this way would be for the best.”
42. “New Holstein faces the same problems many cities this size face. Somehow it must self itself over and above other cities when competing for new business, whether it be manufacturing, retail, or entertainment.”
43. “In need of good restaurants. For the city to move quicker on new businesses wanting to set up shop here.”
44. “No stores to shop. No fast food restaurants.”

Section 7

Analysis of Retail Opportunities

This section of the report provides detailed information on consumer demand and competition (supply) for specific retail and service business categories. The purpose is to identify potential market opportunities for business expansion or recruitment.

The categories selected for inclusion in this section were based on local research findings, professional knowledge of members of the study committee, findings from downtown visioning efforts, and preliminary conclusions drawn from local demographic and lifestyle data.

Market conditions are assessed quantitatively using supply and demand (1) of retail space (square feet) as the measure. Market conditions are also assessed spatially to measure the proximity of existing supply to the trade area. Finally, other more qualitative considerations are discussed that help describe market potential for a specific store category.

In this section, supply and demand are measured by "store type" so that the results are more useful in business expansion and recruitment efforts. Specific store categories are used to add precision to the analysis. Standardized categories using three and five digit codes from the North American Industry Classification System (NAICS) are used.(2)

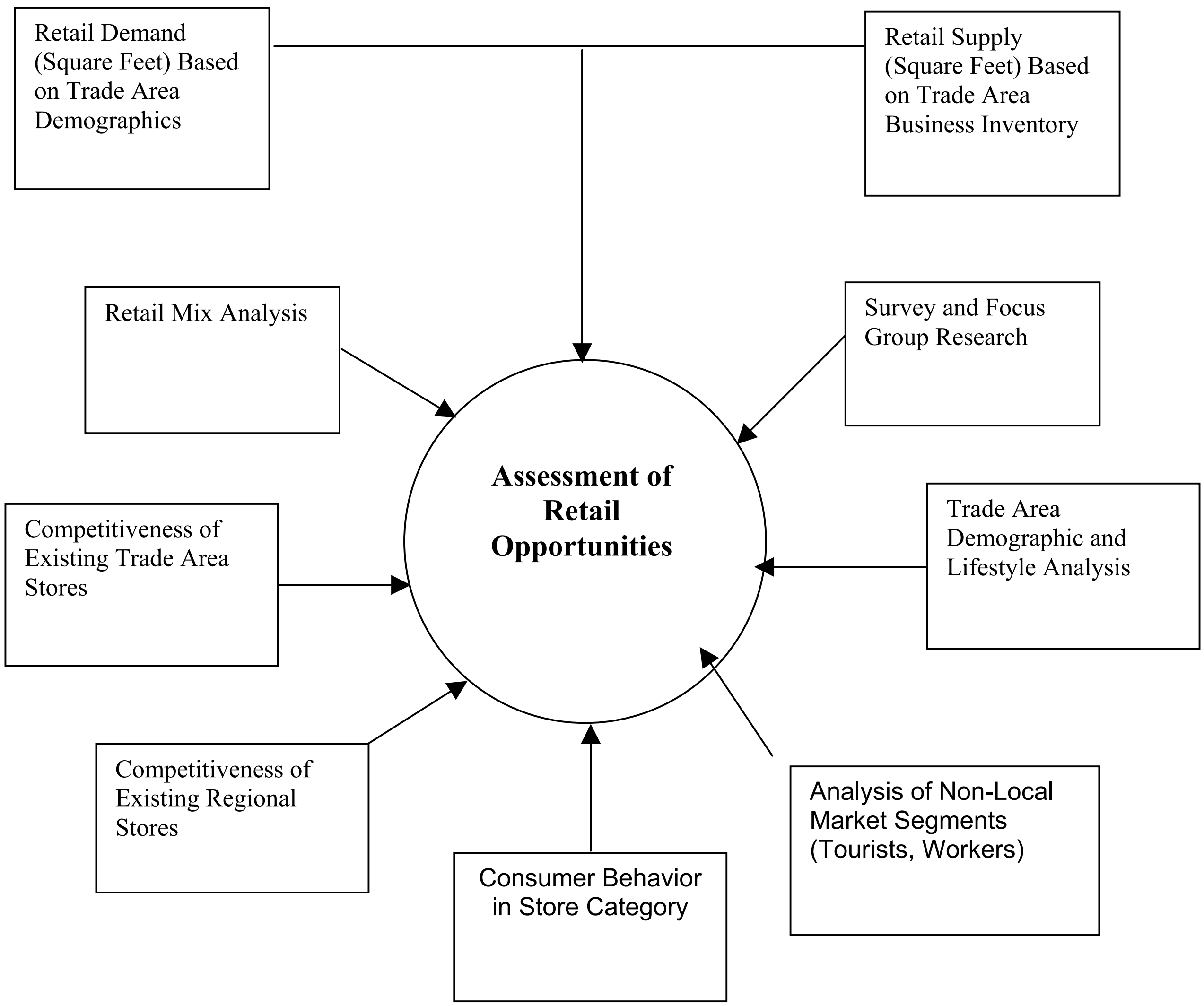
Supply refers to the actual square feet of retail space, sometimes called Gross Leasable Area (GLA), that currently exists in the trade area. Demand refers to the amount of retail space that could be supported by consumers residing in the trade area based on estimates of their spending potential. A comparison of supply and demand by store type can help identify gaps where demand clearly exceeds supply. After considering other market factors including how and where local residents shop, conclusions could be drawn regarding potential business categories worthy of further market research.

Appendix A and Appendix B provide data that was used in calculating demand for the store types in this section. The data in these tables can also be used to study other store categories (not included in this report) on an as-needed basis.

(1) Using the Economic Census, actual retail sales levels for the state can be used as a surrogate for consumer demand. The underlying assumption is that aggregate consumer demand at the state level is fairly well represented by the aggregate retail sales captured at the state level. This is a reasonable assumption in states that do not experience significant sales leakage to adjacent states. By dividing actual state sales by state population, state estimates of per capita consumer demand can be made. These state estimates can then be localized through an adjustment for per capita income differences.

(2) Another way to analyze the retail market is to estimate spending by product type. This data is not presented in this report.

Evaluating Retail Opportunities By Store Type



Motorcycle, Boat, and Other Motor Vehicle Dealers (NAICS 44122)

This industry comprises establishments primarily engaged in retailing new and used motorcycles, boats, and other vehicles (except automobiles, light trucks, and recreational vehicles), or retailing these new vehicles in combination with activities, such as repair services and selling replacement parts and accessories.

Retail Supply

The table below lists all of the stores in this category within the primary trade area. In addition, there are other stores that compete to varying degrees for the sale of similar goods and services, but are classified in other categories.

NAICS	Business Name	Address	Zip Code	Sq Feet	Comments
Competitors in this Store Category:					
44122	Steve's Fix It Shop	W407 Lemke Road	53014	3,000	Town
44122	Countryside RV	16108 Hwy X	53042	10,000	Meeme
Total Supply - Current Year				**13,000**	
Competitors in other Store Categories					

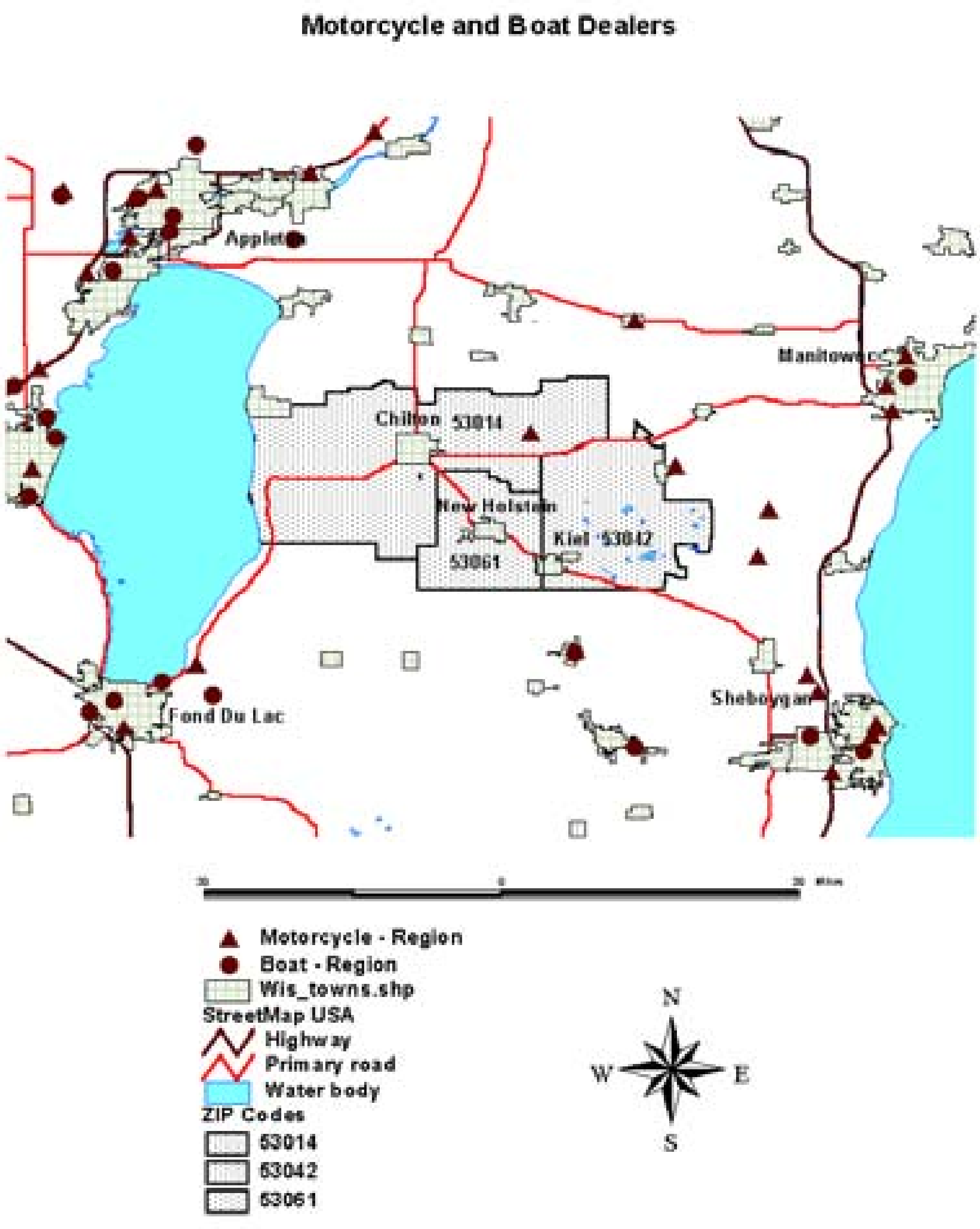
Retail Demand

Consumer expenditure demand represents the amount of annual spending of residents of the primary trade area in this store category. It was calculated as follows:

Consumer Demand Calculation	
Step 1: Calculate Statewide per Capita Spending	
1997 US Census of Retail Trade Sales for Wisconsin (a)	$652,128,000
÷ Wisconsin Population 1997	5,166,069
= Estimated Per Capita Spending - 1997	$126
Step 2: Adjust for Differences in Primary Trade Area Per Capita Income	
x Adjustment for Per Capita Income (b)	0.958
= Estimated Primary Trade Area Per Capita Spending	$121
Step 3: Calculate Primary Trade Area Store Demand in Dollars	
x Primary Trade Area Population -current year	20,755
= Estimated Consumer Spending Demand (for current year expressed in 1997 dollars)	$2,511,355
Step 4: Calculate Primary Trade Area Store Demand in Square Feet	
÷ Estimates Sales per Square Foot (c)	N/A
= Estimated Store Demand - Current Year	**N/A**
Notes: *(a) Based on US Census of Retail Trade.* *(b) Based on Primary Trade Area Per Capita Income ÷ State Per Capita Income. 2000 CACI estimates.* *(c) Based on 1997 Dollars & Cents of Shopping Centers, Community Shopping Centers, Urban Land Instit.*	

Analysis of Regional Competition Surrounding the Trade Area

The supply of stores in the region beyond the New Holstein trade area describes the competitive market surrounding the subject communities. The following map for this store category shows the approximate location of existing competition within 25-30 miles.



Other Market Considerations

Differences in retail space supply and demand need to be analyzed in context of other market factors. The following are additional considerations that add to the analysis of this retail category.

Consideration	Local Analysis
Survey and focus group findings. What have we learned from local research about consumer behavior and perceptions of the business district?	The consumer is going to go to a larger market area with bigger competition. The internet is also another source.
Retail Mix in Comparable Communities. How many businesses in the category are located in the downtown areas of comparable communities?	An analysis of 9 comparable communities shows 0.1 businesses per community. As the New Holstein primary trade area includes 3 communities, the comparison number is multiplied by 3 to arrive at *0.3 businesses* (0.1 x 3 communities)
Demand from non-residents. Is there significant market potential from nonresident customer segments such as tourists and commuters?	There is not significant impact from tourists and commuters.
Consumer behavior in this retail category. Are purchases driven by convenience or comparison shopping?	Consumers are driven by comparison shopping.
Quality of existing competitors. Are existing stores in this category providing the merchandise and service local shoppers' demand?	There are no existing stores in the local market area that provide this service.
Competition from outside the trade area. Do surrounding communities with regional shopping centers and big box stores siphon business in this category out of the trade area?	The competition outside the trade area is provided by smaller businesses.
Competition from other types of stores in the primary trade area. Do local discount department stores or supermarkets already fill the niche of more specialized store types?	There are no other stores in the area.
Lifestyle and purchasing potential information. Does lifestyle segmentation data indicate that local residents are more likely to purchase goods within this store category?	This market area could only support one-third of a store but consumers in the area do have the lifestyle to support these goods.
Demand from other businesses. Are business to business sales an important consideration?	This is not an important consideration for businesses.

Conclusions and Recommendations for (Store Category)	
Supply in Square Feet:	**Demand in Square Feet:**
Other Considerations: There is close proximity to lakes in the area. Service is part of the sale of the item. The lifestyle of the area also supports snowmobiles, boats, cycles, etc. The market area is larger than that defined in the study.	
Conclusions: The lifestyle demand and potential are there.	

Supermarkets and Other Grocery (except Convenience) Stores (NAICS 44511)

This industry comprises establishments generally known as supermarkets and grocery stores primarily engaged in retailing a general line of food, such as canned and frozen foods; fresh fruits and vegetables; and fresh and prepared meats, fish, and poultry. Included in this industry are delicatessen-type establishments primarily engaged in retailing a general line of food.

Retail Supply

The table below lists all of the stores in this category within the primary trade area. In addition, there are other stores that compete to varying degrees for the sale of similar goods and services, but are classified in other categories.

NAICS	Business Name	Address	Zip Code	Sq Feet	Comments
Competitors in this Store Category:					
44511	Econo Mart	1217 E. Chestnut	53014	31,664	
44511	Stell's Piggly Wiggly	2243 Calumet Drive	53061	28,986	
44511	Piggly Wiggly	80 Park Avenue	53042	24,450	
~~44511~~	~~Econo Mart Kiel~~	~~1150 Service Road~~	~~53042~~	~~19,500~~	CLOSED 3/2002
Total Supply - Current Year				**84,500**	
Competitors in other Store Categories					
44512	Chilton Mobile Mart	613 N. Madison	53014		
44512	Kwik Trip	45 E. Chestnut	53014		
44512	Weber's Self Svc	64 E. Chestnut	53014		
44512	Chilton Cenex	245 Calumet	53014		
44512	Kwik Trip	213 Fremont Street	53042		
44512	Kwik Trip	1517 Wisconsin	53061		
44512	Fannin's Mobil Mart	2305 Calumet Drive	53061		

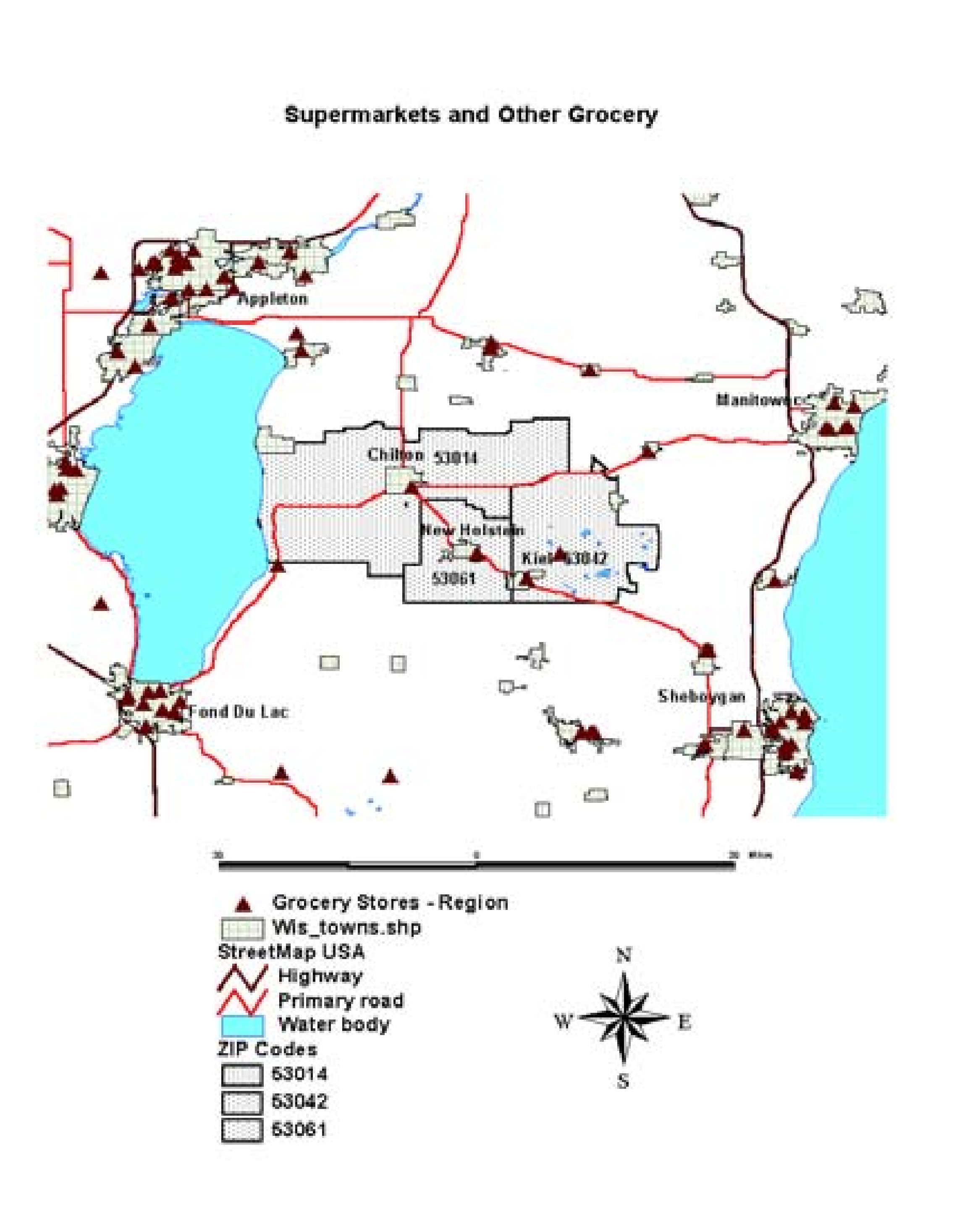
Retail Demand

Consumer expenditure demand represents the amount of annual spending of residents of the primary trade area in this store category. It was calculated as follows:

Consumer Demand Calculation	
Step 1: Calculate Statewide per Capita Spending	
1997 US Census of Retail Trade Sales for Wisconsin (a)	$7,163,345,000
÷ Wisconsin Population 1997	5,166,069
= Estimated Per Capita Spending - 1997	$1,387
Step 2: Adjust for Differences in Primary Trade Area Per Capita Income	
x Adjustment for Per Capita Income (b)	0.958
= Estimated Primary Trade Area Per Capita Spending	$1,329
Step 3: Calculate Primary Trade Area Store Demand in Dollars	
x Primary Trade Area Population -current year	20,755
= Estimated Consumer Spending Demand (for current year expressed in 1997 dollars)	$27,583,395
Step 4: Calculate Primary Trade Area Store Demand in Square Feet	
÷ Estimates Sales per Square Foot (c)	$372
= Estimated Store Demand - Current Year	**74,100 SF**
Notes: *(a) Based on US Census of Retail Trade.* *(b) Based on Primary Trade Area Per Capita Income ÷ State Per Capita Income. 2000 CACI estimates.* *(c) Based on 1997 Dollars & Cents of Shopping Centers, Community Shopping Centers, Urban Land Instit.*	

Analysis of Regional Competition Surrounding the Trade Area

The supply of stores in the region beyond the New Holstein trade area describes the competitive market surrounding the subject communities. The following map for this store category shows the approximate location of existing competition within 25-30 miles.



Other Market Considerations

Differences in retail space supply and demand need to be analyzed in context of other market factors. The following are additional considerations that add to the analysis of this retail category.

Consideration	Local Analysis
Survey and focus group findings. What have we learned from local research about consumer behavior and perceptions of the business district?	Need at least two in each city for competition but market reality does not support that consumer perception (i.e. closing of Economart in Kiel)
Retail Mix in Comparable Communities. How many businesses in the category are located in the downtown areas of comparable communities?	An analysis of 9 comparable communities shows 1.4 businesses per community. As the New Holstein primary trade area includes 3 communities, the comparison number is multiplied by 3 to arrive at 4.2 *businesses* (1.4 x 3 communities)
Demand from non-residents. Is there significant market potential from nonresident customer segments such as tourists and commuters?	Look at surveys from Ameriquip and Tecumseh. Tourism and commuters in general do not have an impact.
Consumer behavior in this retail category. Are purchases driven by convenience or comparison shopping?	The location of the business should be in the main business area not on the edge of the city. Both seem to have an impact with convenience having a bigger impact.
Quality of existing competitors. Are existing stores in this category providing the merchandise and service local shoppers' demand?	Basically all stores provide the same product lines and service local shoppers' demand.
Competition from outside the trade area. Do surrounding communities with regional shopping centers and big box stores siphon business in this category out of the trade area?	Spending habits have changed with Walmart providing certain products available in the local stores. The Super Walmart in the Plymouth area may have an impact.
Competition from other types of stores in the primary trade area. Do local discount department stores or supermarkets already fill the niche of more specialized store types?	The local supermarkets do fill the niche of more specialized store types in some locales and in some departments i.e. bakery, floral, etc.
Lifestyle and purchasing potential information. Does lifestyle segmentation data indicate that local residents are more likely to purchase goods within this store category?	Convenience is important in the current lifestyle.
Demand from other businesses. Are business to business sales an important consideration?	It is a small percentage of the total market but an important part of the business.

Conclusions and Recommendations for (Store Category)	
Supply in Square Feet: 84,500	**Demand in Square Feet:** 74,100
Other Considerations: Quality, atmosphere, newness, etc. all add to the appeal of the business.	
Conclusions: The stores in this market area are meeting the demands of the public.	

Department Stores and Other General Merchandise Stores (NAICS 45211, 45299)

This industry comprises establishments known as department and general merchandise stores primarily engaged in retailing a wide range of the following new products with no one merchandise line predominating: apparel, furniture, appliances and home furnishings; and selected additional items, such as paint, hardware, toiletries, cosmetics, photographic equipment, jewelry, toys, and sporting goods. Merchandise lines are normally arranged in separate departments.

Retail Supply

The table below lists all of the stores in this category within the primary trade area. In addition, there are other stores that compete to varying degrees for the sale of similar goods and services, but are classified in other categories.

NAICS	Business Name	Address	Zip Code	Sq Feet	Comments
Competitors in this Store Category:					
45211	Wal-Mart	1255 E. Chestnut	53014	71,164	
	Farm & Home	519 N. Madison	53014	20,000	
45299	Evans Variety	525 Fremont Street	53042	2,758	
45211	Bargain Nook	1614 Wisconsin Avenue	53061	5,120	
Total Supply - Current Year				**99,042**	
Competitors in other Store Categories					

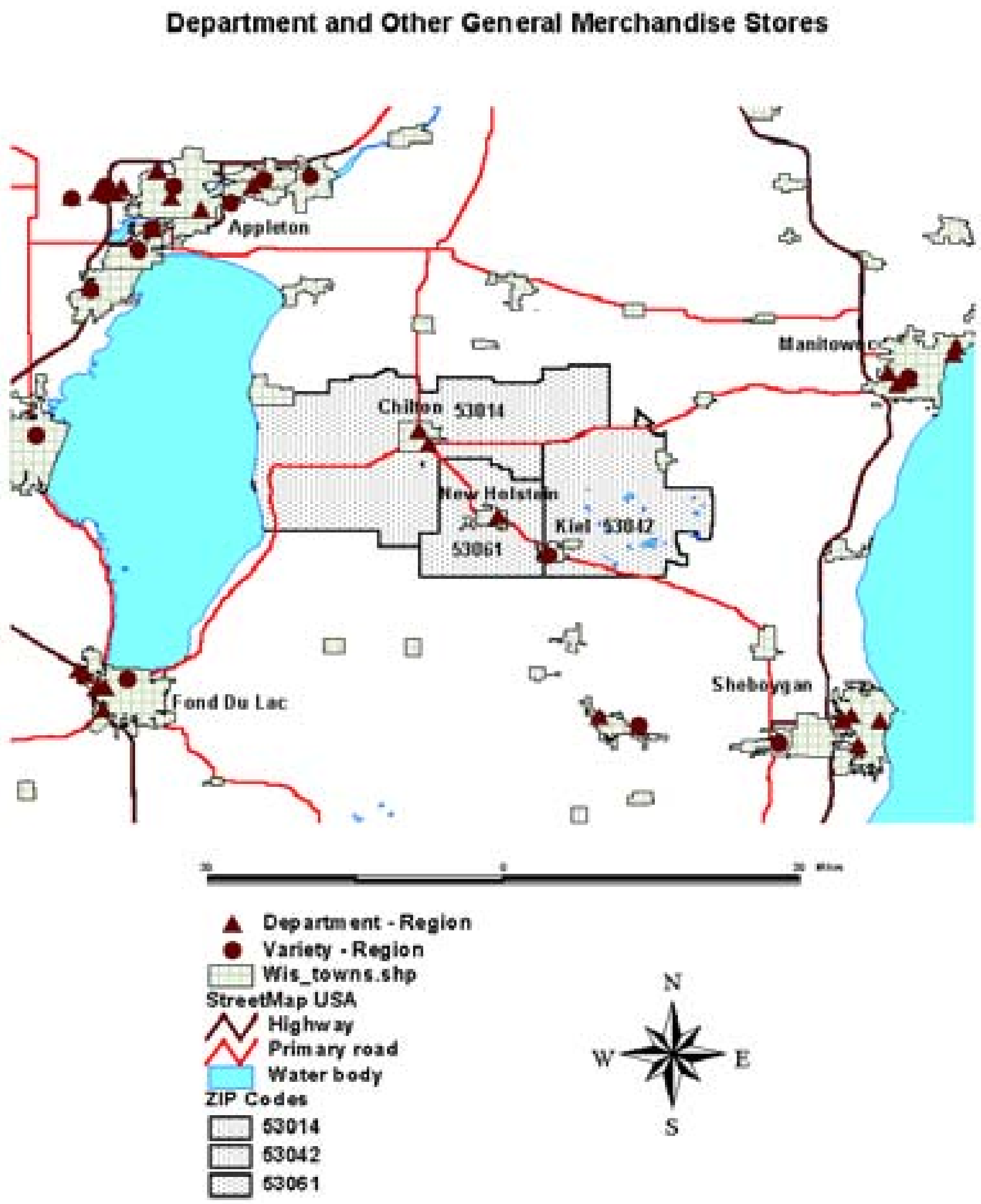
Retail Demand

Consumer expenditure demand represents the amount of annual spending of residents of the primary trade area in this store category. It was calculated as follows:

Consumer Demand Calculation	
Step 1: Calculate Statewide per Capita Spending	
1997 US Census of Retail Trade Sales for Wisconsin (a)	$5,871,694,000
÷ Wisconsin Population 1997	5,166,069
= Estimated Per Capita Spending - 1997	$1,137
Step 2: Adjust for Differences in Primary Trade Area Per Capita Income	
x Adjustment for Per Capita Income (b)	0.958
= Estimated Primary Trade Area Per Capita Spending	$1,089
Step 3: Calculate Primary Trade Area Store Demand in Dollars	
x Primary Trade Area Population -current year	20,755
= Estimated Consumer Spending Demand (for current year expressed in 1997 dollars)	$22,602,195
Step 4: Calculate Primary Trade Area Store Demand in Square Feet	
÷ Estimates Sales per Square Foot (c)	$142
= Estimated Store Demand - Current Year	**159,200 SF**
Notes: *(a) Based on US Census of Retail Trade.* *(b) Based on Primary Trade Area Per Capita Income ÷ State Per Capita Income. 2000 CACI estimates.* *(c) Based on 1997 Dollars & Cents of Shopping Centers, Community Shopping Centers, Urban Land Instit.*	

Analysis of Regional Competition Surrounding the Trade Area

The supply of stores in the region beyond the New Holstein trade area describes the competitive market surrounding the subject communities. The following map for this store category shows the approximate location of existing competition within 25-30 miles.



Other Market Considerations

Differences in retail space supply and demand need to be analyzed in context of other market factors. The following are additional considerations that add to the analysis of this retail category.

Consideration	Local Analysis
Survey and focus group findings. What have we learned from local research about consumer behavior and perceptions of the business district?	The consumers want a variety, general merchandise store in the area. Price and image are a concern. The opportunity is here but the business must be ready to be competitive.
Retail Mix in Comparable Communities. How many businesses in the category are located in the downtown areas of comparable communities?	An analysis of 9 comparable communities shows 0.4 businesses per community. As the New Holstein primary trade area includes 3 communities, the comparison number is multiplied by 3 to arrive at *1.2 businesses* (0.4 x 3 communities)
Demand from non-residents. Is there significant market potential from nonresident customer segments such as tourists and commuters?	Look at surveys from Ameriquip and Tecumseh for commuters. Tourists do not have an impact.
Consumer behavior in this retail category. Are purchases driven by convenience or comparison shopping?	Both areas have an impact.
Quality of existing competitors. Are existing stores in this category providing the merchandise and service local shoppers' demand?	The Walmart store is one of the providers as well as the Evans variety store in Kiel.
Competition from outside the trade area. Do surrounding communities with regional shopping centers and big box stores siphon business in this category out of the trade area?	The larger stores do siphon business especially in respect to the cost of the item. The higher the cost the greater the impact.
Competition from other types of stores in the primary trade area. Do local discount department stores or supermarkets already fill the niche of more specialized store types?	The local specialized stores provide the service that consumers want. Service is an important factor.
Lifestyle and purchasing potential information. Does lifestyle segmentation data indicate that local residents are more likely to purchase goods within this store category?	The lifestyle does indicate that these goods are needed.
Demand from other businesses. Are business to business sales an important consideration?	The need would be very nominal.

Conclusions and Recommendations for (Store Category)	
Supply in Square Feet: 99,042	**Demand in Square Feet:** 159,200
Other Considerations: Price, convenience and service are the main factors. There is potential for local businesses to possibly expand. The outlying superstores (Walmarts in Darboy and Plymouth) can affect the survival of the local Walmart. The square feet demand may be excessive for the demand in this particular area.	
Conclusions: This market area might have a demand for the smaller niche store.	

New and Used Car Dealers (NAICS 44111, 44112)

This industry comprises establishments primarily engaged in retailing new and used automobiles and light trucks, such as sport utility vehicles, and passenger and cargo vans, or retailing these new vehicles in combination with activities, such as repair services, and selling replacement parts and accessories.

Retail Supply

The table below lists all of the stores in this category within the primary trade area. In addition, there are other stores that compete to varying degrees for the sale of similar goods and services, but are classified in other categories.

NAICS	Business Name	Address	Zip Code	Sq Feet	Comments
Competitors in this Store Category:					
44111	Vande Hey Brantmeier Buick Inc	516 N Madison	53014		
44111	Central Garage (Vande Hey Brantmeier Chry)	Hwy 57 N.	53014		
44112	K & T Motors	1021 E.	53014		
44111	Vogel Chevrolet-Olds Inc	710 Park	53042		
44111	Loyal Ford & Mercury Inc	2310 Calumet	53061		
44112	R L Motors	2211 Calumet	53061		
Total Supply - Current Year					
Competitors in other Store Categories					

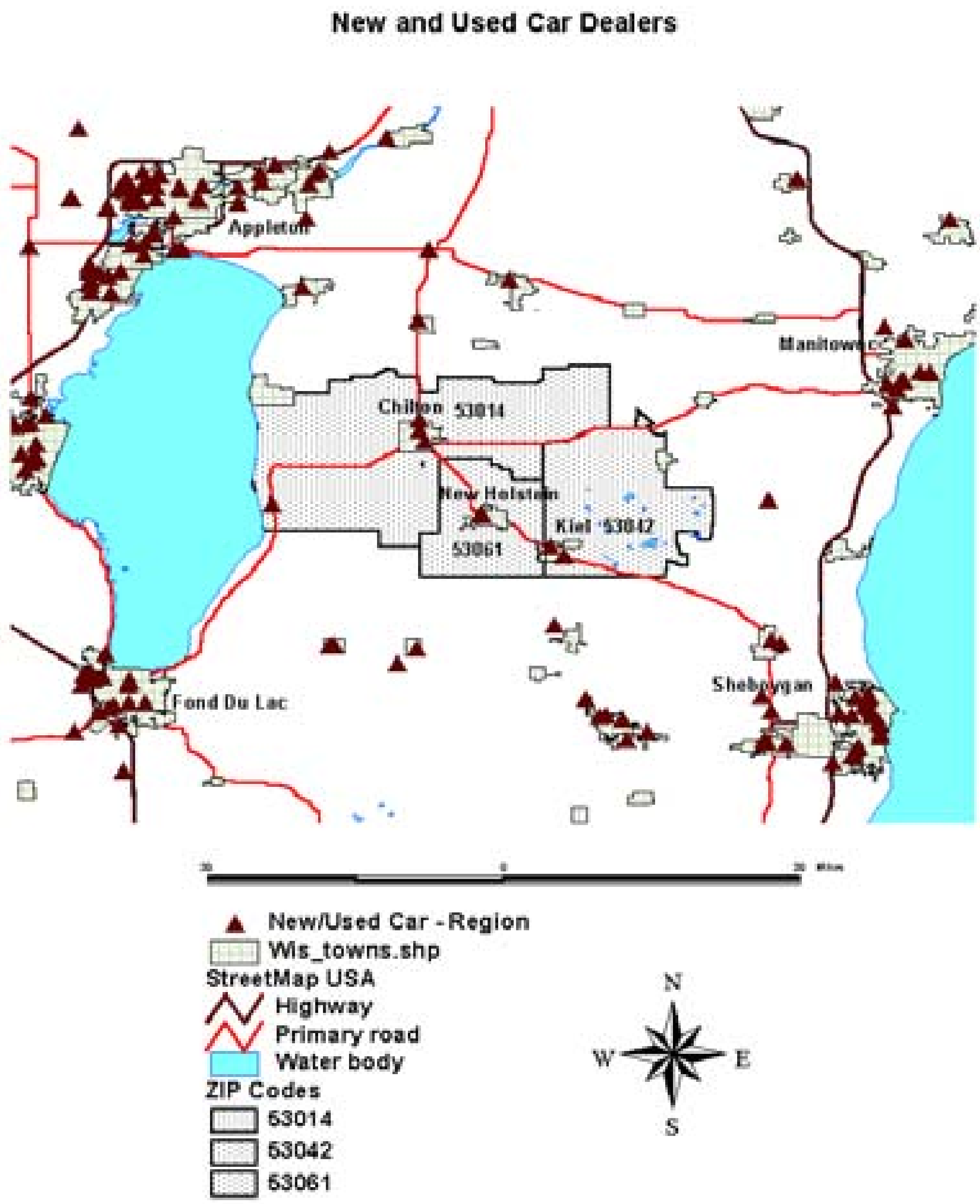
Retail Demand

Consumer expenditure demand represents the amount of annual spending of residents of the primary trade area in this store category. It was calculated as follows:

Consumer Demand Calculation	
Step 1: Calculate Statewide per Capita Spending	
1997 US Census of Retail Trade Sales for Wisconsin (a)	$11,501,014,000
÷ Wisconsin Population 1997	5,166,069
= Estimated Per Capita Spending - 1997	$2,227
Step 2: Adjust for Differences in Primary Trade Area Per Capita Income	
x Adjustment for Per Capita Income (b)	0.958
= Estimated Primary Trade Area Per Capita Spending	$2,133
Step 3: Calculate Primary Trade Area Store Demand in Dollars	
x Primary Trade Area Population -current year	20,755
= Estimated Consumer Spending Demand (for current year expressed in 1997 dollars)	$44,270,415
Step 4: Calculate Primary Trade Area Store Demand in Square Feet	
÷ Estimates Sales per Square Foot (c)	N/A
= Estimated Store Demand - Current Year	**N/A**
Notes: *(a) Based on US Census of Retail Trade.* *(b) Based on Primary Trade Area Per Capita Income ÷ State Per Capita Income. 2000 CACI estimates.* *(c) Based on 1997 Dollars & Cents of Shopping Centers, Community Shopping Centers, Urban Land Instit.*	

Analysis of Regional Competition Surrounding the Trade Area

The supply of stores in the region beyond the New Holstein trade area describes the competitive market surrounding the subject communities. The following map for this store category shows the approximate location of existing competition within 25-30 miles.



Other Market Considerations

Differences in retail space supply and demand need to be analyzed in context of other market factors. The following are additional considerations that add to the analysis of this retail category.

Consideration	Local Analysis
Survey and focus group findings. What have we learned from local research about consumer behavior and perceptions of the business district?	No information has been gathered in this area.
Retail Mix in Comparable Communities. How many businesses in the category are located in the downtown areas of comparable communities?	An analysis of 9 comparable communities shows 2.2 businesses per community. As the New Holstein primary trade area includes 3 communities, the comparison number is multiplied by 3 to arrive at *6.6 businesses* (2.2 x 3 communities)
Demand from non-residents. Is there significant market potential from nonresident customer segments such as tourists and commuters?	There is market potential from commuters especially for Vogel, Loyal Ford and Vande Hey. They market to other areas.
Consumer behavior in this retail category. Are purchases driven by convenience or comparison shopping?	There is strong comparison shopping with brand loyalty playing a part in this area. The internet may be used for research and initial ticket pricing.
Quality of existing competitors. Are existing stores in this category providing the merchandise and service local shopper's demand?	The quality is good. The dealers are well respected.
Competition from outside the trade area. Do surrounding communities with regional shopping centers and big box stores siphon business in this category out of the trade area?	There is good competition outside the area. Manitowoc, Sheboygan, Appleton, and Fond du Lac all provide competition.
Competition from other types of stores in the primary trade area. Do local discount department stores or supermarkets already fill the niche of more specialized store types?	Does not apply in this area.
Lifestyle and purchasing potential information. Does lifestyle segmentation data indicate that local residents are more likely to purchase goods within this store category?	Yes.
Demand from other businesses. Are business to business sales an important consideration?	There is some market for businesses but not an important part.

Conclusions and Recommendations for (Store Category)	
Supply in Square Feet:	**Demand in Square Feet:**
Other Considerations: There is good presence for the major brands and they do a very good job of filling the needs of the consumer. They are very professional.	
Conclusions: There may be a market for the brands that are not available, for example, the imports.	

Automotive Parts and Accessories Stores (NAICS 44131)

This industry comprises one or more of the following: (1) establishments known as automotive supply stores primarily engaged in retailing new, used, and/or rebuilt automotive parts and accessories; (2) automotive supply stores that are primarily engaged in both retailing automotive parts and accessories and repairing automobiles; and (3) establishments primarily engaged in retailing and installing automotive accessories.

Retail Supply

The table below lists all of the stores in this category within the primary trade area. In addition, there are other stores that compete to varying degrees for the sale of similar goods and services, but are classified in other categories.

NAICS	Business Name	Address	Zip Code	Sq Feet	Comments
Competitors in this Store Category:					
44131	Bumper To Bumper Auto Parts	61 E. Chestnut	53014	12,581	
44131	Carquest Auto Parts	630 Park Ave.	53042	5,700	
44131	Napa Auto Parts	1911 Wisconsin	53061	6,198	
Total Supply - Current Year				**24,479**	
Competitors in other Store Categories					
45211	Wal-Mart	1255 E. Chestnut	53014		

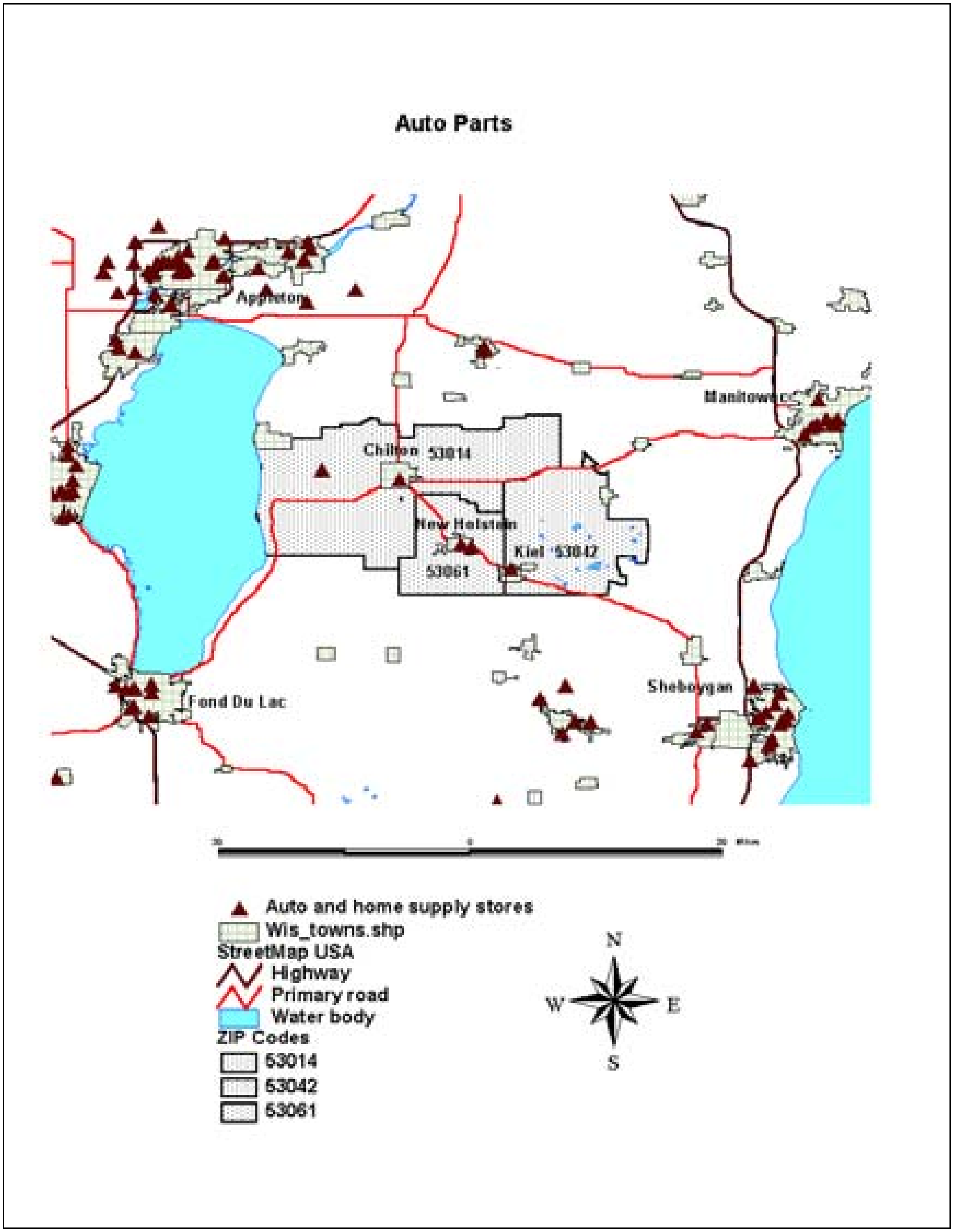
Retail Demand

Consumer expenditure demand represents the amount of annual spending of residents of the primary trade area in this store category. It was calculated as follows:

Consumer Demand Calculation	
Step 1: Calculate Statewide per Capita Spending	
1997 US Census of Retail Trade Sales for Wisconsin (a)	$831,980,000
÷ Wisconsin Population 1997	5,166,069
= Estimated Per Capita Spending - 1997	$161
Step 2: Adjust for Differences in Primary Trade Area Per Capita Income	
x Adjustment for Per Capita Income (b)	0.958
= Estimated Primary Trade Area Per Capita Spending	$154
Step 3: Calculate Primary Trade Area Store Demand in Dollars	
x Primary Trade Area Population -current year	20,755
= Estimated Consumer Spending Demand (for current year expressed in 1997 dollars)	$3,196,270
Step 4: Calculate Primary Trade Area Store Demand in Square Feet	
÷ Estimates Sales per Square Foot (c)	$147
= Estimated Store Demand - Current Year	**21,700 SF**
Notes: *(a) Based on US Census of Retail Trade.* *(b) Based on Primary Trade Area Per Capita Income ÷ State Per Capita Income. 2000 CACI estimates.* *(c) Based on 1997 Dollars & Cents of Shopping Centers, Community Shopping Centers, Urban Land Instit.*	

Analysis of Regional Competition Surrounding the Trade Area

The supply of stores in the region beyond the New Holstein trade area describes the competitive market surrounding the subject communities. The following map for this store category shows the approximate location of existing competition within 25-30 miles.



Other Market Considerations

Differences in retail space supply and demand need to be analyzed in context of other market factors. The following are additional considerations that add to the analysis of this retail category.

Consideration	Local Analysis
Survey and focus group findings. What have we learned from local research about consumer behavior and perceptions of the business district?	This may be a declining market since vehicles are more computerized and have longer warranties. The needs may not be just for parts.
Retail Mix in Comparable Communities. How many businesses in the category are located in the downtown areas of comparable communities?	An analysis of 9 comparable communities shows 1.5 businesses per community. As the New Holstein primary trade area includes 3 communities, the comparison number is multiplied by 3 to arrive at *4.5 businesses* (1.5 x 3 communities)
Demand from non-residents. Is there significant market potential from nonresident customer segments such as tourists and commuters?	Commuters will have an impact in this area.
Consumer behavior in this retail category. Are purchases driven by convenience or comparison shopping?	Convenience is more of a factor.
Quality of existing competitors. Are existing stores in this category providing the merchandise and service local shoppers' demand?	All three communities have one available store. There is some competition among them based on comparison shopping.
Competition from outside the trade area. Do surrounding communities with regional shopping centers and big box stores siphon business in this category out of the trade area?	
Competition from other types of stores in the primary trade area. Do local discount department stores or supermarkets already fill the niche of more specialized store types?	There is some competition from the Fleet Farms and Walmarts but not significant amounts when convenience is considered.
Lifestyle and purchasing potential information. Does lifestyle segmentation data indicate that local residents are more likely to purchase goods within this store category?	The lifestyle does support this area.
Demand from other businesses. Are business to business sales an important consideration?	There is a strong business to business sales aspect in this area.

Conclusions and Recommendations for (Store Category)	
Supply in Square Feet:	**Demand in Square Feet:**
Other Considerations:	
Conclusions: Based on the numbers, this market is adequately filled.	

Nursery and Garden Centers and Outdoor Power Equipment Stores (NAICS 44422, 44221)

The Nursery and Garden Centers category comprises establishments primarily engaged in retailing nursery and garden products, such as trees, shrubs, plants, seeds, bulbs, and sod, that are predominantly grown elsewhere. These establishments may sell a limited amount of a product they grow themselves. Additionally, the Outdoor Power Equipment Stores category comprises establishments primarily engaged in retailing new outdoor power equipment or retailing new outdoor power equipment in combination with activities, such as repair services and selling replacement parts.

Retail Supply

The table below lists all of the stores in this category within the primary trade area. In addition, there are other stores that compete to varying degrees for the sale of similar goods and services, but are classified in other categories.

NAICS	Business Name	Address	Zip Code	Sq Feet	Comments
Competitors in this Store Category:					
44422	Mortimer Gardens	W4464 Hwy BB	53014	1,500	Town
	Horst Distributing Inc	444 N. Madison	53014	4,800	
	Cardinal Café	595 E. Calumet	53014	2,520	
44422	Glenn Flora Nursery	8319 Glen Flora Rd	53042	2,500	Liberty
44221	Konen Sales & Trucking	23119 Hwy 57	53042	5,000	
44422	East Central Co-Op	721 Fremont	53042	3,600	
	Honeymoon Acres	N1946 Honeymoon Hill Road	53061	N/A	
Total Supply - Current Year				**19,920**	
Competitors in other Store Categories					
45211	Wal-Mart	1255 E. Chestnut	53014		

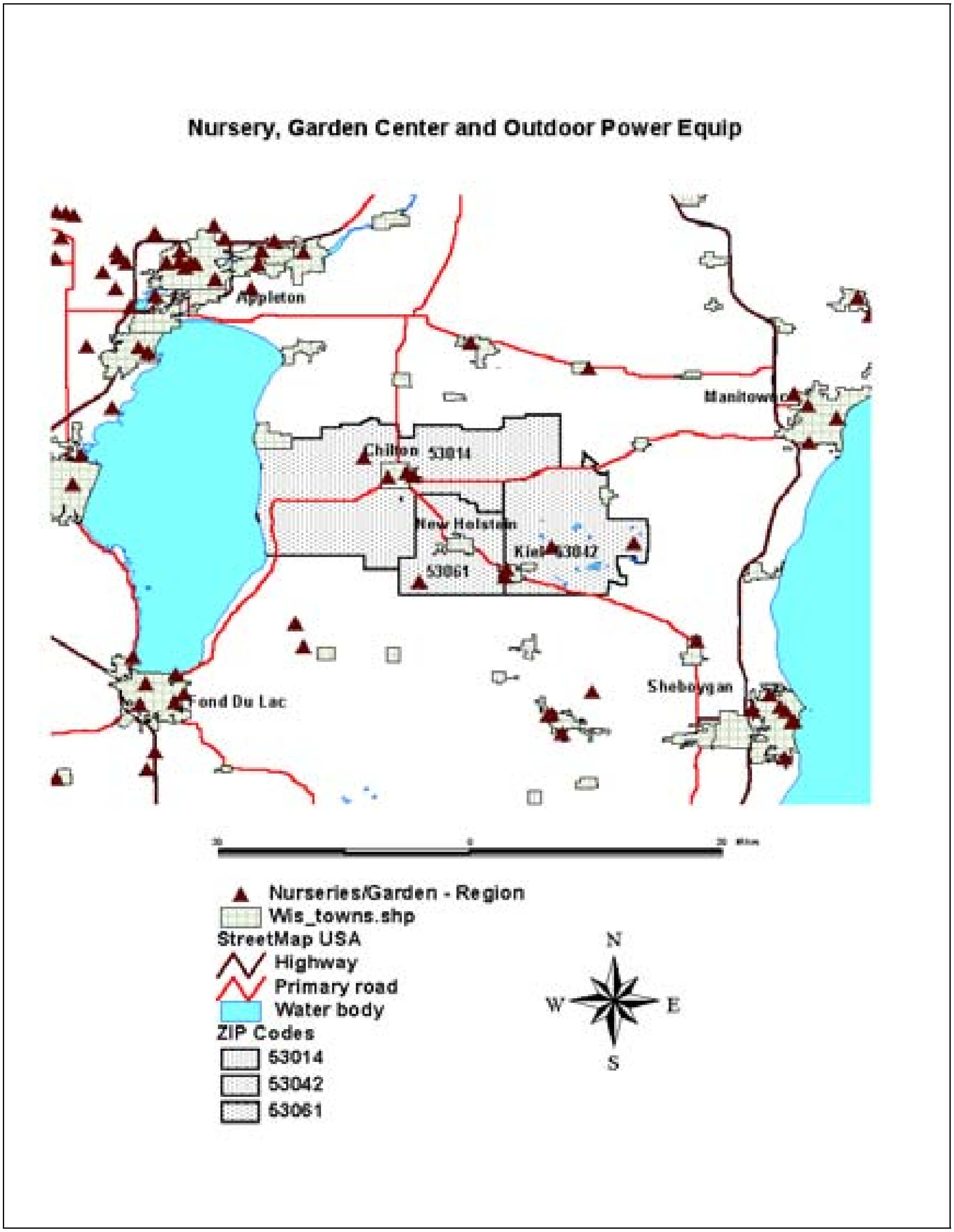
Retail Demand

Consumer expenditure demand represents the amount of annual spending of residents of the primary trade area in this store category. It was calculated as follows:

Consumer Demand Calculation	
Step 1: Calculate Statewide per Capita Spending	
1997 US Census of Retail Trade Sales for Wisconsin (a)	$1,352,793,000
÷ Wisconsin Population 1997	5,166,069
= Estimated Per Capita Spending - 1997	$262
Step 2: Adjust for Differences in Primary Trade Area Per Capita Income	
x Adjustment for Per Capita Income (b)	0.958
= Estimated Primary Trade Area Per Capita Spending	$251
Step 3: Calculate Primary Trade Area Store Demand in Dollars	
x Primary Trade Area Population -current year	20,755
= Estimated Consumer Spending Demand (for current year expressed in 1997 dollars)	$5,209,505
Step 4: Calculate Primary Trade Area Store Demand in Square Feet	
÷ Estimates Sales per Square Foot (c)	N/A
= Estimated Store Demand - Current Year	**N/A**
Notes: *(a) Based on US Census of Retail Trade.* *(b) Based on Primary Trade Area Per Capita Income ÷ State Per Capita Income. 2000 CACI estimates.* *(c) Based on 1997 Dollars & Cents of Shopping Centers, Community Shopping Centers, Urban Land Instit.*	

Analysis of Regional Competition Surrounding the Trade Area

The supply of stores in the region beyond the New Holstein trade area describes the competitive market surrounding the subject communities. The following map for this store category shows the approximate location of existing competition within 25-30 miles.



Other Market Considerations

Differences in retail space supply and demand need to be analyzed in context of other market factors. The following are additional considerations that add to the analysis of this retail category.

Consideration	Local Analysis
Survey and focus group findings. What have we learned from local research about consumer behavior and perceptions of the business district?	Nurseries – There is good representation. Equipment -
Retail Mix in Comparable Communities. How many businesses in the category are located in the downtown areas of comparable communities?	An analysis of 9 comparable communities shows 0.5 businesses per community. As the New Holstein primary trade area includes 3 communities, the comparison number is multiplied by 3 to arrive at *1.5 businesses* (0.5 x 3 communities)
Demand from non-residents. Is there significant market potential from nonresident customer segments such as tourists and commuters?	Nurseries – There is high demand from non-residents. Equipment – Initially the sale may be here but not the repair.
Consumer behavior in this retail category. Are purchases driven by convenience or comparison shopping?	Nurseries – For big ticket items, comparison shop is the driver; smaller items, convenience. Equipment - This is a comparison item.
Quality of existing competitors. Are existing stores in this category providing the merchandise and service local shoppers' demand?	Nurseries – The quality is great. Equipment – Currently only service is available in some areas, specifically New Holstein.
Competition from outside the trade area. Do surrounding communities with regional shopping centers and big box stores siphon business in this category out of the trade area?	Nurseries – There is competition from others like Silica Gardens. Equipment – The outside area is taking care of the demand for lower end products.
Competition from other types of stores in the primary trade area. Do local discount department stores or supermarkets already fill the niche of more specialized store types?	Nurseries – Other stores, Walmart, grocery, hardware, do provide competition. Equipment – Not applicable to this area.
Lifestyle and purchasing potential information. Does lifestyle segmentation data indicate that local residents are more likely to purchase goods within this store category?	Nurseries - Needs and wants as well as lifestyle play a part in this area. Equipment – Yes.
Demand from other businesses. Are business to business sales an important consideration?	Nurseries - There is very little business to business sales. Equipment – Business to business does not apply.

Conclusions and Recommendations for (Store Category)	
Supply in Square Feet:	**Demand in Square Feet:**
Other Considerations: Equipment - There is definitely a potential for sales and services, for both the lower and higher end products.	
Conclusions: Nurseries - The market is serving the consumer but there might be an opportunity for others. There might be more opportunity for a wholesaler, business to business aspect.	

Men's, Women's, Children's and Infants and Family Clothing Stores (NAICS 44811, 44812, 44813, 44814)

This industry comprises establishments primarily engaged in retailing a general line of new clothing for men, women, children or families. These establishments may provide basic alterations, such as hemming, taking in or letting out seams, or lengthening or shortening sleeves.

Retail Supply

The table below lists all of the stores in this category within the primary trade area. In addition, there are other stores that compete to varying degrees for the sale of similar goods and services, but are classified in other categories.

NAICS	Business Name	Address	Zip Code	Sq Feet	Comments
Competitors in this Store Category:					
44814	Schmidt's Clothing	503 N. Madison	53014	9,600	
Total Supply - Current Year				**9,600**	
Competitors in other Store Categories					
45211	Wal-Mart	1255 E. Chestnut	53014		

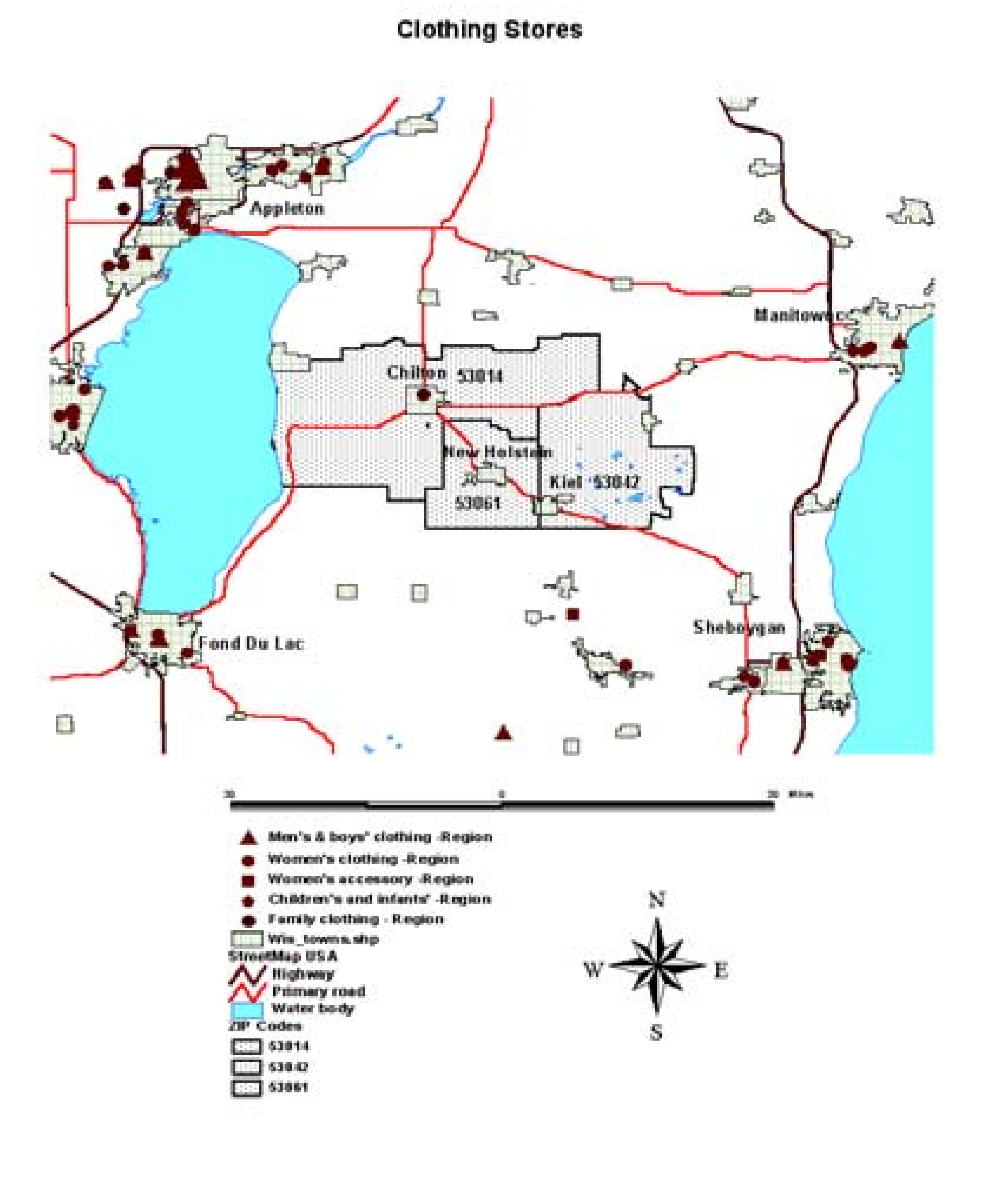
Retail Demand

Consumer expenditure demand represents the amount of annual spending of residents of the primary trade area in this store category. It was calculated as follows:

Consumer Demand Calculation	
Step 1: Calculate Statewide per Capita Spending	
1997 US Census of Retail Trade Sales for Wisconsin (a)	$926,599,000
÷ Wisconsin Population 1997	5,166,069
= Estimated Per Capita Spending - 1997	$179
Step 2: Adjust for Differences in Primary Trade Area Per Capita Income	
x Adjustment for Per Capita Income (b)	0.958
= Estimated Primary Trade Area Per Capita Spending	$171
Step 3: Calculate Primary Trade Area Store Demand in Dollars	
x Primary Trade Area Population -current year	20,755
= Estimated Consumer Spending Demand (for current year expressed in 1997 dollars)	$3,549,105
Step 4: Calculate Primary Trade Area Store Demand in Square Feet	
÷ Estimates Sales per Square Foot (c)	$165
= Estimated Store Demand - Current Year	**21,500 SF**
Notes: *(a) Based on US Census of Retail Trade.* *(b) Based on Primary Trade Area Per Capita Income ÷ State Per Capita Income. 2000 CACI estimates.* *(c) Based on 1997 Dollars & Cents of Shopping Centers, Community Shopping Centers, Urban Land Instit. Average Value for Men's, Women's, Children's, and Family Clothing Stores*	

Analysis of Regional Competition Surrounding the Trade Area

The supply of stores in the region beyond the New Holstein trade area describes the competitive market surrounding the subject communities. The following map for this store category shows the approximate location of existing competition within 25-30 miles.



Other Market Considerations

Differences in retail space supply and demand need to be analyzed in context of other market factors. The following are additional considerations that add to the analysis of this retail category.

Consideration	Local Analysis
Survey and focus group findings. What have we learned from local research about consumer behavior and perceptions of the business district?	Consumers want the convenience in the smaller community but they do not actually follow that want. They tend to comparison shop and shop where they are.
Retail Mix in Comparable Communities. How many businesses in the category are located in the downtown areas of comparable communities?	An analysis of 9 comparable communities shows 0.3 businesses per community. As the New Holstein primary trade area includes 3 communities, the comparison number is multiplied by 3 to arrive at *0.9 businesses* (0.3 x 3 communities)
Demand from non-residents. Is there significant market potential from nonresident customer segments such as tourists and commuters?	Commuters and tourists do not apply here.
Consumer behavior in this retail category. Are purchases driven by convenience or comparison shopping?	Convenience via catalog and computer play a part especially for the unique items. Large ticket items will be done by comparison shopping.
Quality of existing competitors. Are existing stores in this category providing the merchandise and service local shoppers' demand?	There are no real existing competitors.
Competition from outside the trade area. Do surrounding communities with regional shopping centers and big box stores siphon business in this category out of the trade area?	They dominate this area.
Competition from other types of stores in the primary trade area. Do local discount department stores or supermarkets already fill the niche of more specialized store types?	To a certain extent they do.
Lifestyle and purchasing potential information. Does lifestyle segmentation data indicate that local residents are more likely to purchase goods within this store category?	Current lifestyle does not indicate that residents will purchase goods in this area.
Demand from other businesses. Are business to business sales an important consideration?	Not applicable here.

Conclusions and Recommendations for (Store Category)	
Supply in Square Feet:	**Demand in Square Feet:**
Other Considerations: This store would need to be a unique item and a second side of the business.	
Conclusions: A specialty shop or a side line business might provide for the demands.	

Shoe Stores (NAICS 44821)

This industry comprises establishments primarily engaged in retailing all types of new footwear (except hosiery and specialty sports footwear, such as golf shoes, bowling shoes, and spiked shoes). Establishments primarily engaged in retailing new tennis shoes or sneakers are included in this industry.

Retail Supply

The table below lists all of the stores in this category within the primary trade area. In addition, there are other stores that compete to varying degrees for the sale of similar goods and services, but are classified in other categories.

NAICS	Business Name	Address	Zip Code	Sq Feet	Comments
Competitors in this Store Category:					
44821	Kick Shoppe	50 W. Main	53014	822	
Total Supply - Current Year				**822**	
Competitors in other Store Categories					
45211	Wal-Mart	1255 E. Chestnut	53014		

Retail Demand

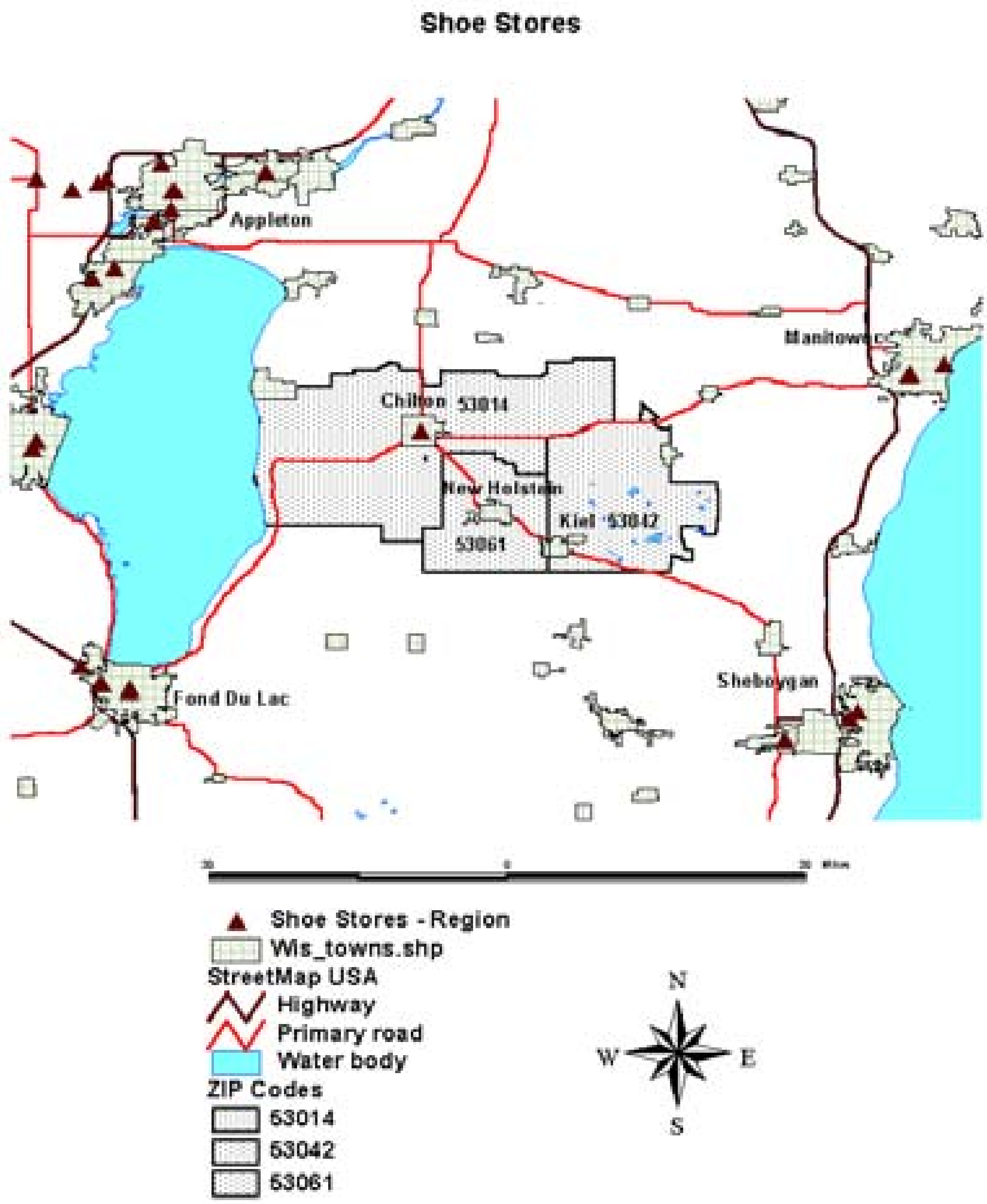
Consumer expenditure demand represents the amount of annual spending of residents of the primary trade area in this store category. It was calculated as follows:

Consumer Demand Calculation	
Step 1: Calculate Statewide per Capita Spending	
1997 US Census of Retail Trade Sales for Wisconsin (a)	$323,280,000
÷ Wisconsin Population 1997	5,166,069
= Estimated Per Capita Spending - 1997	$63
Step 2: Adjust for Differences in Primary Trade Area Per Capita Income	
x Adjustment for Per Capita Income (b)	0.958
= Estimated Primary Trade Area Per Capita Spending	$60
Step 3: Calculate Primary Trade Area Store Demand in Dollars	
x Primary Trade Area Population -current year	20,755
= Estimated Consumer Spending Demand (for current year expressed in 1997 dollars)	$1,245,300
Step 4: Calculate Primary Trade Area Store Demand in Square Feet	
÷ Estimates Sales per Square Foot (c)	$159
= Estimated Store Demand - Current Year	**7,800 SF**

Notes:
(a) Based on US Census of Retail Trade.
(b) Based on Primary Trade Area Per Capita Income ÷ State Per Capita Income. 2000 CACI estimates.
(c) Based on 1997 Dollars & Cents of Shopping Centers, Community Shopping Centers, Urban Land Instit.

Analysis of Regional Competition Surrounding the Trade Area

The supply of stores in the region beyond the New Holstein trade area describes the competitive market surrounding the subject communities. The following map for this store category shows the approximate location of existing competition within 25-30 miles.



Other Market Considerations

Differences in retail space supply and demand need to be analyzed in context of other market factors. The following are additional considerations that add to the analysis of this retail category.

Consideration	Local Analysis
Survey and focus group findings. What have we learned from local research about consumer behavior and perceptions of the business district?	One store would be less likely to survive without the comparison shopping from other stores.
Retail Mix in Comparable Communities. How many businesses in the category are located in the downtown areas of comparable communities?	An analysis of 9 comparable communities shows 0.3 businesses per community. As the New Holstein primary trade area includes 3 communities, the comparison number is multiplied by 3 to arrive at *0.9 businesses* (0.3 x 3 communities)
Demand from non-residents. Is there significant market potential from nonresident customer segments such as tourists and commuters?	There is little impact from tourist or commuters.
Consumer behavior in this retail category. Are purchases driven by convenience or comparison shopping?	This is a comparison shopping area. The type of item is important.
Quality of existing competitors. Are existing stores in this category providing the merchandise and service local shoppers' demand?	There are no existing competitors in the local area.
Competition from outside the trade area. Do surrounding communities with regional shopping centers and big box stores siphon business in this category out of the trade area?	They play a big part since there is little available from the area.
Competition from other types of stores in the primary trade area. Do local discount department stores or supermarkets already fill the niche of more specialized store types?	No.
Lifestyle and purchasing potential information. Does lifestyle segmentation data indicate that local residents are more likely to purchase goods within this store category?	Yes.
Demand from other businesses. Are business to business sales an important consideration?	No business to business demand.

Conclusions and Recommendations for (Store Category)	
Supply in Square Feet:	**Demand in Square Feet:**
Other Considerations:	
Conclusions: The right owner, product, presentation and complimentary item would be a possibility.	

Hobby, Toy, and Game Stores (NAICS 45112)

This industry comprises establishments primarily engaged in retailing new toys, games, and hobby and craft supplies (except needlecraft).

Retail Supply

The table below lists all of the stores in this category within the primary trade area. In addition, there are other stores that compete to varying degrees for the sale of similar goods and services, but are classified in other categories.

NAICS	Business Name	Address	Zip Code	Sq Feet	Comments
Competitors in this Store Category:					
45112	Loyal Hobbies & Collectibles	2310 Calumet Drive	53061	300	
45112	Cowtown Stamps	1623 Wisconsin	53061	3,360	
Total Supply - Current Year				**3,660**	
Competitors in other Store Categories					
45211	Wal-Mart	1255 E. Chestnut	53014		

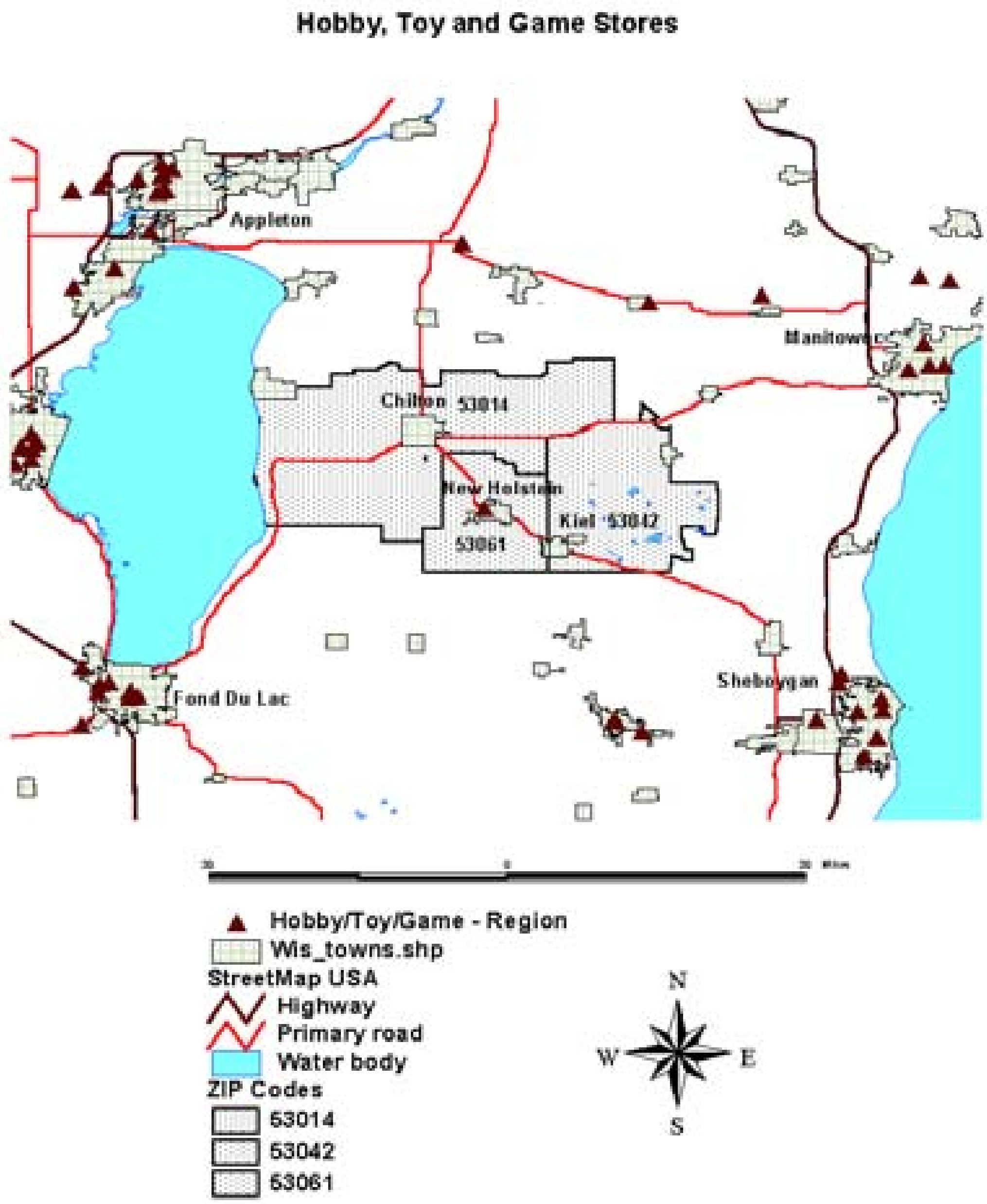
Retail Demand

Consumer expenditure demand represents the amount of annual spending of residents of the primary trade area in this store category. It was calculated as follows:

Consumer Demand Calculation	
Step 1: Calculate Statewide per Capita Spending	
1997 US Census of Retail Trade Sales for Wisconsin (a)	$205,783,000
÷ Wisconsin Population 1997	5,166,069
= Estimated Per Capita Spending - 1997	$40
Step 2: Adjust for Differences in Primary Trade Area Per Capita Income	
x Adjustment for Per Capita Income (b)	0.958
= Estimated Primary Trade Area Per Capita Spending	$38
Step 3: Calculate Primary Trade Area Store Demand in Dollars	
x Primary Trade Area Population -current year	20,755
= Estimated Consumer Spending Demand (for current year expressed in 1997 dollars)	$788,690
Step 4: Calculate Primary Trade Area Store Demand in Square Feet	
÷ Estimates Sales per Square Foot (c)	$183
= Estimated Store Demand - Current Year	**4,300 SF**
Notes: *(a) Based on US Census of Retail Trade.* *(b) Based on Primary Trade Area Per Capita Income ÷ State Per Capita Income. 2000 CACI estimates.* *(c) Based on 1997 Dollars & Cents of Shopping Centers, Community Shopping Centers, Urban Land Instit.*	

Analysis of Regional Competition Surrounding the Trade Area

The supply of stores in the region beyond the New Holstein trade area describes the competitive market surrounding the subject communities. The following map for this store category shows the approximate location of existing competition within 25-30 miles.



Other Market Considerations

Differences in retail space supply and demand need to be analyzed in context of other market factors. The following are additional considerations that add to the analysis of this retail category.

Consideration	Local Analysis
Survey and focus group findings. What have we learned from local research about consumer behavior and perceptions of the business district?	No information has been gathered in this area.
Retail Mix in Comparable Communities. How many businesses in the category are located in the downtown areas of comparable communities?	An analysis of 9 comparable communities shows 0.0 businesses per community. As the New Holstein primary trade area includes 3 communities, the comparison number is multiplied by 3 to arrive at *0.0 businesses* (0.0 x 3 communities)
Demand from non-residents. Is there significant market potential from nonresident customer segments such as tourists and commuters?	Tourists and consumers could have potential increased market demand. Local retailers have a limited sales area, but it could be expanded. Market area is perceived to be regional, not local.
Consumer behavior in this retail category. Are purchases driven by convenience or comparison shopping?	What drives consumer behavior? In this category, it is selection rather than convenience or comparison.
Quality of existing competitors. Are existing stores in this category providing the merchandise and service local shoppers' demand?	In this category, existing competitors can be 25 miles away and provide a good product to which people will travel. Difference between hobbies and toys/games.
Competition from outside the trade area. Do surrounding communities with regional shopping centers and big box stores siphon business in this category out of the trade area?	Yes. Internet sales and purchases also have an impact.
Competition from other types of stores in the primary trade area. Do local discount department stores or supermarkets already fill the niche of more specialized store types?	No. They have part of the niche, but not supplying the whole need, particularly for hobbies.
Lifestyle and purchasing potential information. Does lifestyle segmentation data indicate that local residents are more likely to purchase goods within this store category?	Sure, potentially, because of rural, family environment.
Demand from other businesses. Are business to business sales an important consideration?	Not much if any.

Conclusions and Recommendations for (Store Category)	
Supply in Square Feet: 3,660	**Demand in Square Feet: 4,300**
Other Considerations: Square footage demand for hobbies may be low due to potential of other marketing strategies and niches. Farm and Home, Evans not included in total supply.	
Conclusions: This may be a niche category that could thrive but would need to draw from outside the existing area (example Cowtown Stamps).	

Sewing, Needlework, and Piece Goods Stores (NAICS 45113)

This industry comprises establishments primarily engaged in retailing new sewing supplies, fabrics, patterns, yarns, and other needlework accessories or retailing these products in combination with selling new sewing machines.

Retail Supply

The table below lists all of the stores in this category within the primary trade area. In addition, there are other stores that compete to varying degrees for the sale of similar goods and services, but are classified in other categories.

NAICS	Business Name	Address	Zip Code	Sq Feet	Comments
Competitors in this Store Category:					
	None Present in Trade Area				
Total Supply - Current Year					
Competitors in other Store Categories					
45211	Wal-Mart	1255 E. Chestnut	53014		
	Evans				
	Farm and Home				

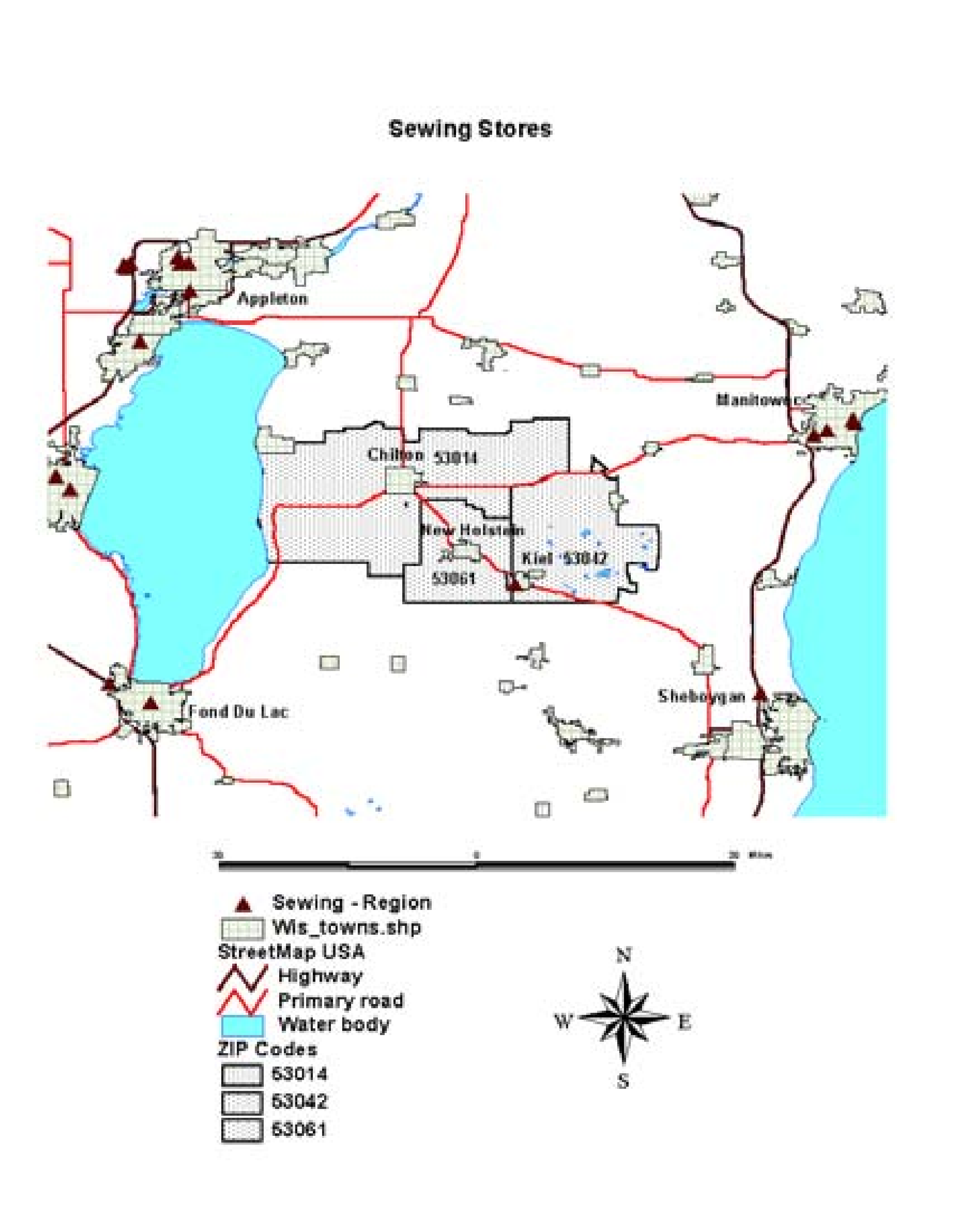
Retail Demand

Consumer expenditure demand represents the amount of annual spending of residents of the primary trade area in this store category. It was calculated as follows:

Consumer Demand Calculation	
Step 1: Calculate Statewide per Capita Spending	
1997 US Census of Retail Trade Sales for Wisconsin (a)	$56,140,000
÷ Wisconsin Population 1997	5,166,069
= Estimated Per Capita Spending - 1997	$11
Step 2: Adjust for Differences in Primary Trade Area Per Capita Income	
x Adjustment for Per Capita Income (b)	0.958
= Estimated Primary Trade Area Per Capita Spending	$10
Step 3: Calculate Primary Trade Area Store Demand in Dollars	
x Primary Trade Area Population -current year	20,755
= Estimated Consumer Spending Demand (for current year expressed in 1997 dollars)	$207,550
Step 4: Calculate Primary Trade Area Store Demand in Square Feet	
÷ Estimates Sales per Square Foot (c)	$75
= Estimated Store Demand - Current Year	**2,800 SF**
Notes: *(a) Based on US Census of Retail Trade.* *(b) Based on Primary Trade Area Per Capita Income ÷ State Per Capita Income. 2000 CACI estimates.* *(c) Based on 1997 Dollars & Cents of Shopping Centers, Community Shopping Centers, Urban Land Instit.*	

Analysis of Regional Competition Surrounding the Trade Area

The supply of stores in the region beyond the New Holstein trade area describes the competitive market surrounding the subject communities. The following map for this store category shows the approximate location of existing competition within 25-30 miles.



Other Market Considerations

Differences in retail space supply and demand need to be analyzed in context of other market factors. The following are additional considerations that add to the analysis of this retail category.

Consideration	Local Analysis
Survey and focus group findings. What have we learned from local research about consumer behavior and perceptions of the business district?	People are shopping elsewhere because there is no store locally.
Retail Mix in Comparable Communities. How many businesses in the category are located in the downtown areas of comparable communities?	An analysis of 9 comparable communities shows 0.0 businesses per community. As the New Holstein primary trade area includes 3 communities, the comparison number is multiplied by 3 to arrive at *0.0 businesses* (0.0 x 3 communities)
Demand from non-residents. Is there significant market potential from nonresident customer segments such as tourists and commuters?	Commuters might support this type of store if one were available. Nonresidents who are involved in sewing/crafting may travel in to this area to purchase materials.
Consumer behavior in this retail category. Are purchases driven by convenience or comparison shopping?	Selection and variety are key factors that drive purchases.
Quality of existing competitors. Are existing stores in this category providing the merchandise and service local shoppers' demand?	There are no existing stores.
Competition from outside the trade area. Do surrounding communities with regional shopping centers and big box stores siphon business in this category out of the trade area?	Yes, because there are no local stores. Upcoming stores are Hobby Lobby and Big Lots in Sheboygan which may have an impact.
Competition from other types of stores in the primary trade area. Do local discount department stores or supermarkets already fill the niche of more specialized store types?	Wal Mart, Farm & Home, Evans offer some of these goods, but do not carry everything people would need.
Lifestyle and purchasing potential information. Does lifestyle segmentation data indicate that local residents are more likely to purchase goods within this store category?	Yes
Demand from other businesses. Are business to business sales an important consideration?	No

Conclusions and Recommendations for (Store Category)	
Supply in Square Feet: 0	**Demand in Square Feet: 2,800**
Other Considerations: This type of business lends itself well to the surrounding area lifestyle.	
Conclusions: There might be potential opportunity for a niche store but would require drawing a customer base from outside the area.	

Office Supplies and Stationery Stores (NAICS 45321)

This industry comprises establishments primarily engaged in one or more of the following: (1) retailing new stationery, school supplies, and office supplies; (2) selling a combination of new office equipment, furniture, and supplies; and (3) selling new office equipment, furniture, and supplies in combination with selling new computers.

Retail Supply

The table below lists all of the stores in this category within the primary trade area. In addition, there are other stores that compete to varying degrees for the sale of similar goods and services, but are classified in other categories.

NAICS	Business Name	Address	Zip Code	Sq Feet	Comments
Competitors in this Store Category:					
	None Present in Trade Area				
Total Supply - Current Year					
Competitors in other Store Categories					
531102	Wal-Mart	1255 E. Chestnut	53014		

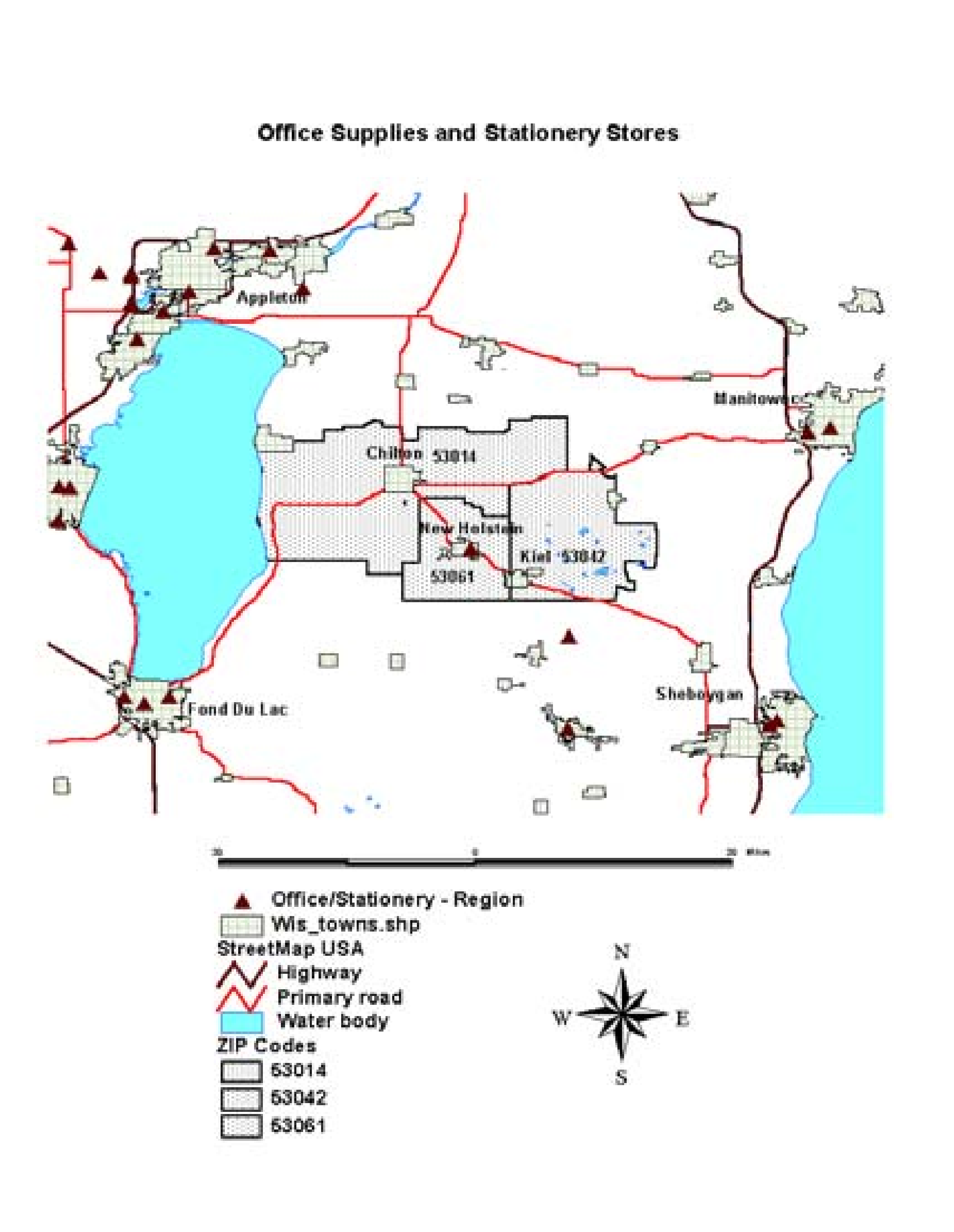
Retail Demand

Consumer expenditure demand represents the amount of annual spending of residents of the primary trade area in this store category. It was calculated as follows:

Consumer Demand Calculation	
Step 1: Calculate Statewide per Capita Spending	
1997 US Census of Retail Trade Sales for Wisconsin (a)	$205,600,000
÷ Wisconsin Population 1997	5,166,069
= Estimated Per Capita Spending - 1997	$40
Step 2: Adjust for Differences in Primary Trade Area Per Capita Income	
x Adjustment for Per Capita Income (b)	0.958
= Estimated Primary Trade Area Per Capita Spending	$38
Step 3: Calculate Primary Trade Area Store Demand in Dollars	
x Primary Trade Area Population -current year	20,755
= Estimated Consumer Spending Demand (for current year expressed in 1997 dollars)	$788,690
Step 4: Calculate Primary Trade Area Store Demand in Square Feet	
÷ Estimates Sales per Square Foot (c)	$262
= Estimated Store Demand - Current Year	**3,000 SF**
Notes: *(a) Based on US Census of Retail Trade.* *(b) Based on Primary Trade Area Per Capita Income ÷ State Per Capita Income. 2000 CACI estimates.* *(c) Based on 1997 Dollars & Cents of Shopping Centers, Community Shopping Centers, Urban Land Instit.*	

Analysis of Regional Competition Surrounding the Trade Area

The supply of stores in the region beyond the New Holstein trade area describes the competitive market surrounding the subject communities. The following map for this store category shows the approximate location of existing competition within 25-30 miles.



Other Market Considerations

Differences in retail space supply and demand need to be analyzed in context of other market factors. The following are additional considerations that add to the analysis of this retail category.

Consideration	Local Analysis
Survey and focus group findings. What have we learned from local research about consumer behavior and perceptions of the business district?	There has been no research in this area.
Retail Mix in Comparable Communities. How many businesses in the category are located in the downtown areas of comparable communities?	An analysis of 9 comparable communities shows 0.1 businesses per community. As the New Holstein primary trade area includes 3 communities, the comparison number is multiplied by 3 to arrive at *0.3 businesses* (0.1 x 3 communities)
Demand from non-residents. Is there significant market potential from nonresident customer segments such as tourists and commuters?	Not from tourists, but perhaps from commuters.
Consumer behavior in this retail category. Are purchases driven by convenience or comparison shopping?	Convenience
Quality of existing competitors. Are existing stores in this category providing the merchandise and service local shoppers' demand?	There are no stores locally in this category.
Competition from outside the trade area. Do surrounding communities with regional shopping centers and big box stores siphon business in this category out of the trade area?	Office Max (Manitowoc), Badger Office Supply (Manitowoc), Staples (Fond du Lac) and Wal Mart (Chilton) meet some of the need.
Competition from other types of stores in the primary trade area. Do local discount department stores or supermarkets already fill the niche of more specialized store types?	There are no local existing stores in this category, except TCEI (Kiel) carries cartridges.
Lifestyle and purchasing potential information. Does lifestyle segmentation data indicate that local residents are more likely to purchase goods within this store category?	Consumers in this area are probably average in consumption of goods in this category.
Demand from other businesses. Are business to business sales an important consideration?	Yes, they are quite important in this category.

Conclusions and Recommendations for (Store Category)	
Supply in Square Feet: 0	**Demand in Square Feet: 3,000**
Other Considerations: The consumer demand in this category is shifting. Previously, demand was business-to-business. Trends in home computer ownership may be causing an increased demand in this area. Customer service is very important – customers want their questions answered.	
Conclusions: There is potential for developing opportunities in this area.	

Sporting Goods Stores (NAICS 45111)

This industry comprises establishments primarily engaged in retailing new sporting goods, such as bicycles and bicycle parts; camping equipment; exercise and fitness equipment; athletic uniforms; specialty sports footwear; and sporting goods, equipment, and accessories.

Retail Supply

The table below lists all of the stores in this category within the primary trade area. In addition, there are other stores that compete to varying degrees for the sale of similar goods and services, but are classified in other categories.

NAICS	Business Name	Address	Zip Code	Sq Feet	Comments
Competitors in this Store Category:					
45111	Mike's Bait & Gun	1148 6th Street	53042	1,240	
45111	Ehlert's Arms Ammo & Art	323 Fremont	53042	960	
45111	Blackburn Baits & Tackles	2314 State	53061	484	
Total Supply - Current Year				**2,684**	
Competitors in other Store Categories					
45211	Wal-Mart	1255 E. Chestnut	53014		

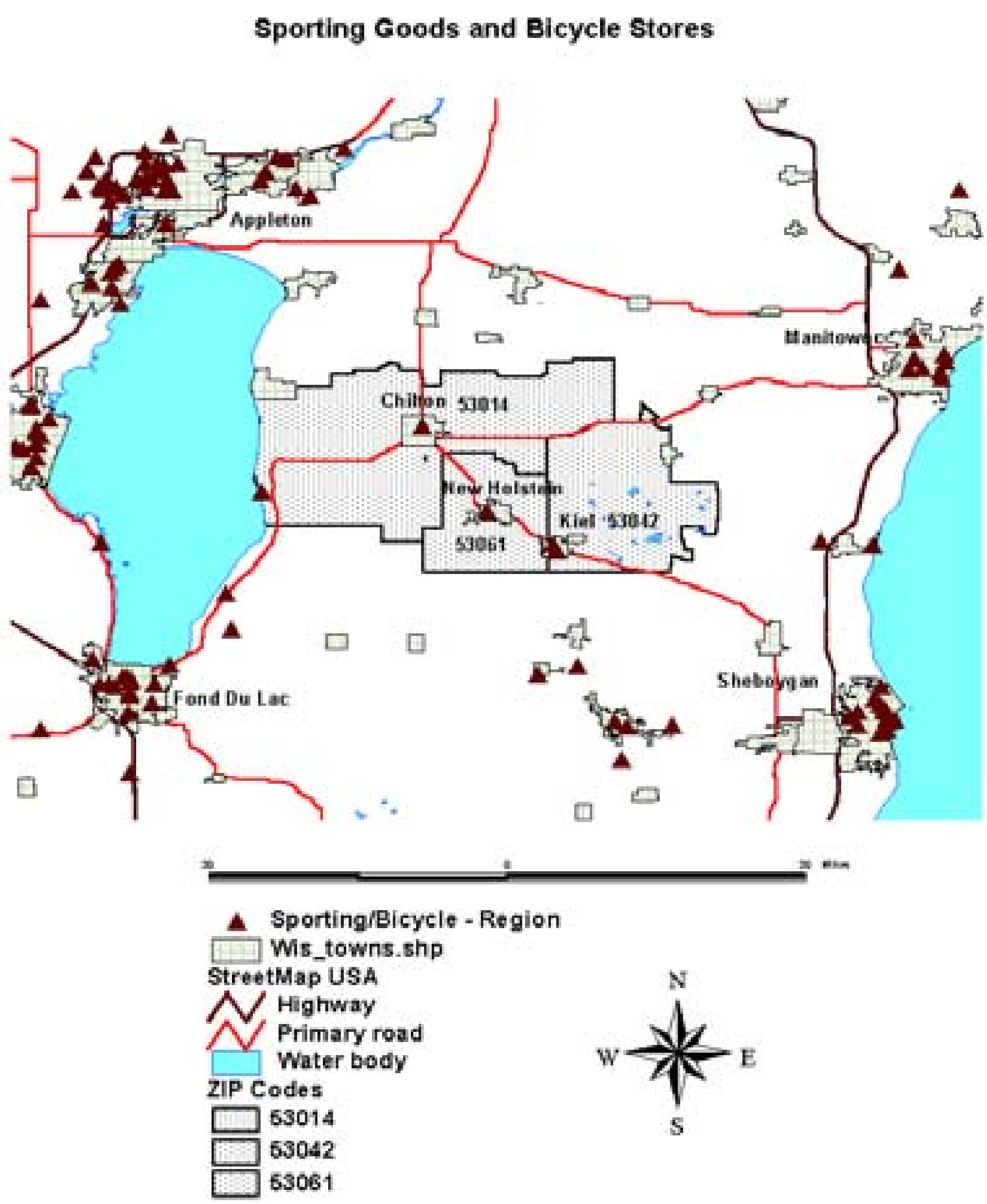
Retail Demand

Consumer expenditure demand represents the amount of annual spending of residents of the primary trade area in this store category. It was calculated as follows:

Consumer Demand Calculation	
Step 1: Calculate Statewide per Capita Spending	
1997 US Census of Retail Trade Sales for Wisconsin (a)	$423,731,000
÷ Wisconsin Population 1997	5,166,069
= Estimated Per Capita Spending - 1997	$82
Step 2: Adjust for Differences in Primary Trade Area Per Capita Income	
x Adjustment for Per Capita Income (b)	0.958
= Estimated Primary Trade Area Per Capita Spending	$79
Step 3: Calculate Primary Trade Area Store Demand in Dollars	
x Primary Trade Area Population -current year	20,755
= Estimated Consumer Spending Demand (for current year expressed in 1997 dollars)	$1,639,645
Step 4: Calculate Primary Trade Area Store Demand in Square Feet	
÷ Estimates Sales per Square Foot (c)	$153
= Estimated Store Demand - Current Year	**10,700 SF**
Notes: *(a) Based on US Census of Retail Trade.* *(b) Based on Primary Trade Area Per Capita Income ÷ State Per Capita Income. 2000 CACI estimates.* *(c) Based on 1997 Dollars & Cents of Shopping Centers, Community Shopping Centers, Urban Land Instit.*	

Analysis of Regional Competition Surrounding the Trade Area

The supply of stores in the region beyond the New Holstein trade area describes the competitive market surrounding the subject communities. The following map for this store category shows the approximate location of existing competition within 25-30 miles.



Other Market Considerations

Differences in retail space supply and demand need to be analyzed in context of other market factors. The following are additional considerations that add to the analysis of this retail category.

Consideration	Local Analysis
Survey and focus group findings. What have we learned from local research about consumer behavior and perceptions of the business district?	Residents in this area tend to be more inclined to participate in outdoor sports like hunting, camping, and fishing. There is lower interest in other fitness types of sports.
Retail Mix in Comparable Communities. How many businesses in the category are located in the downtown areas of comparable communities?	An analysis of 9 comparable communities shows 0.6 businesses per community. As the New Holstein primary trade area includes 3 communities, the comparison number is multiplied by 3 to arrive at *1.8 businesses* (0.6 x 3 communities)
Demand from non-residents. Is there significant market potential from nonresident customer segments such as tourists and commuters?	There may be a limited market potential from this group of nonresidents. Possibly some impact from commuters.
Consumer behavior in this retail category. Are purchases driven by convenience or comparison shopping?	It depends on the item, both convenience and comparison depending on the product.l
Quality of existing competitors. Are existing stores in this category providing the merchandise and service local shoppers' demand?	For hunting/outdoor sport products, existing stores likely meet needs. Shoppers' demands (for camping, golf, etc.) now probably go beyond what local stores can supply.
Competition from outside the trade area. Do surrounding communities with regional shopping centers and big box stores siphon business in this category out of the trade area?	Yes. Stores like REI, Gander Mountain, Fleet Farm, catalog/internet shopping siphon business.
Competition from other types of stores in the primary trade area. Do local discount department stores or supermarkets already fill the niche of more specialized store types?	Wal Mart has a limited selection of products in this category.
Lifestyle and purchasing potential information. Does lifestyle segmentation data indicate that local residents are more likely to purchase goods within this store category?	YES! There is better than average support in this category based on lifestyle choices.
Demand from other businesses. Are business to business sales an important consideration?	No.

Conclusions and Recommendations for (Store Category)	
Supply in Square Feet: 2,684	**Demand in Square Feet: 10,700**
Other Considerations:	
Conclusions: Camping and hunting are definitely big in this area. Other outdoor sports like biking, canoeing are supported to a lesser degree. Service and the right product line would be important considerations with any new businesses.	

Appendix A - Calculation of Retail Sales Demand per Capita

State of Wisconsin, 1997 Dollars

Based on the 1997 Economic Census, U.S. Census Bureau

NAICS	Description	Estab.	Sales $000	Sales/Estab	$ Per Capita
44-45	Total Wisconsin Retail Trade	1,717	50,520,463	2,326,309	9,782
					-
44111	New car dealers	668	10,808,194	16,179,931	2,093
44112	Used car dealers	540	692,820	1,283,000	134
44121	Recreational vehicle dealers	81	171,432	2,116,444	33
44122	Motorcycle, boat, and other motor vehicle dealers	334	652,128	1,952,479	126
44131	Automotive parts and accessories stores	753	831,980	1,104,887	161
44132	Tire dealers	240	287,125	1,196,354	56
44211	Furniture stores	537	736,673	1,371,831	143
44221	Floor covering stores	377	376,063	997,515	73
44229	Other home furnishings stores	308	163,854	531,994	32
44311	Appliance, television, and other electronics stores	634	1,052,063	1,659,405	204
44312	Computer and software stores	198	261,211	1,319,247	51
44313	Camera and photographic supplies stores	38	23,801	626,342	5
44411	Home centers	47	*747,361*	15,901,305	145
44412	Paint and wallpaper stores	179	*207,667*	1,160,149	40
44413	Hardware stores	440	433,376	984,945	84
44419	Other building material dealers	1,031	3,028,918	2,937,845	586
44421	Outdoor power equipment stores	136	113,798	836,750	22
44422	Nursery and garden centers	534	1,238,995	2,320,215	240
44511	Supermarkets & other grocers (ex convenience)	1,209	7,163,345	5,925,017	1,387
44512	Convenience stores	201	125,130	622,537	24
4452	Specialty food stores	472	182,382	386,403	35
44531	Beer, wine, and liquor stores	490	359,298	733,261	70
44611	Pharmacies and drug stores	724	1,646,621	2,274,338	319
44612	Cosmetics, beauty supplies, and perfume stores	108	55,619	514,991	11
44613	Optical goods stores	277	109,865	396,625	21
44619	Other health and personal care stores	239	92,124	385,456	18
44711	Gasoline stations with convenience stores	1,931	3,364,307	1,742,262	651
44719	Other gasoline stations	753	1,087,545	1,444,283	211
44811	Men's clothing stores	180	111,377	618,761	22
44812	Women's clothing stores	642	340,874	530,956	66
44813	Children's and infants' clothing stores	53	32,856	619,925	6
44814	Family clothing stores	298	441,492	1,481,517	85
44815	Clothing accessories stores	107	21,061	196,832	4
44819	Other clothing stores	209	104,617	500,560	20
44821	Shoe stores	524	323,280	616,947	63
44831	Jewelry stores	522	311,575	596,887	60
44832	Luggage and leather goods stores	25	10,186	407,440	2
45111	Sporting goods stores	610	423,731	694,641	82
45112	Hobby, toy, and game stores	244	205,783	843,373	40
45113	Sewing, needlework, and piece goods stores	147	56,140	381,905	11
45114	Musical instrument and supplies stores	84	83,366	992,452	16
45121	Book stores and news dealers	254	193,094	760,213	37
45122	Prerecorded tape, CD, and record stores	137	100,546	733,912	19
45211	Department stores (ex. leased depts.)	272	5,308,110	19,515,110	1,028
45291	Warehouse clubs and superstores	12	*920,588*	76,715,659	178
45299	All other general merchandise stores	336	*563,584*	1,677,334	109
45311	Florists	485	118,331	243,981	23
45321	Office supplies and stationery stores	105	205,600	1,958,095	40
45322	Gift, novelty, and souvenir stores	806	248,109	307,828	48
45331	Used merchandise stores	345	97,988	284,023	19
45391	Pet and pet supplies stores	161	90,682	563,242	18
45392	Art dealers	135	30,898	228,874	6

Estimates in italics based on adjusted US Total $/Establishment

Population for determining per capita income based on 1996 estimates from Urban Decision Systems, Inc.

Appendix B - Estimates of Retail Sales per Square Foot GLA

US Community Shopping Centers, Selected Store Categories

Based on the 1997 Dollars and Cents of Shopping Centers, Urban Land Institute

NAICS	Description	Median GLA	Median Sales/S.F	ULI Descriptions/Notes
44111	New car dealers			
44112	Used car dealers			
44121	Recreational vehicle dealers			
44122	Motorcycle, boat, and other motor vehicle dealers			
44131	Automotive parts and accessories stores	6,038	147.52	Automotive (Tire/Battery)
44132	Tire dealers			
44211	Furniture stores	7,471	141.84	Furniture
44221	Floor covering stores	2,545	88.04	Floor Coverings
44229	Other home furnishings stores	4,821	166.54	Home accessories
44311	Appliance, television, and other electronics stores	2,100	207.17	Electronics
44312	Computer and software stores	2,130	336.53	Computer/Computer Software
44313	Camera and photographic supplies stores	1,069	542.63	See "Regional Centers"
44411	Home centers			
44412	Paint and wallpaper stores	3,533	164.55	Paint and Wallpaper
44413	Hardware stores	7,857	121.08	Hardware
44419	Other building material dealers			
44421	Outdoor power equipment stores			
44422	Nursery and garden centers			
44511	Supermarkets & other grocers (ex convenience)	42,228	371.79	Supermarket
44512	Convenience stores			
4452	Specialty food stores	1,800	162.57	Specialty Food
44531	Beer, wine, and liquor stores	2,648	249.67	Liquor/Wine
44611	Pharmacies and drug stores	11,153	247.29	Drug Store
44612	Cosmetics, beauty supplies, and perfume stores	1,520	258.40	Cosmetics/Beauty Supplies
44613	Optical goods stores	1,487	156.74	Eyeglasses-optician
44619	Other health and personal care stores			
44711	Gasoline stations with convenience stores	2,508	339.01	Service Station
44719	Other gasoline stations			
44811	Men's clothing stores	3,082	182.61	Men's Wear
44812	Women's clothing stores	3,616	146.31	Women's Ready to Wear
44813	Children's and infants' clothing stores	2,665	142.98	Children's Wear
44814	Family clothing stores	5,775	186.50	Family Wear
44815	Clothing accessories stores			
44819	Other clothing stores			
44821	Shoe stores	3,150	158.81	Family shoes
44831	Jewelry stores	1,263	263.92	Jewelry
44832	Luggage and leather goods stores	2,398	198.82	Luggage and Leather
45111	Sporting goods stores	4,100	153.46	Sporting Goods - General
45112	Hobby, toy, and game stores	2,740	183.33	Toys
45113	Sewing, needlework, and piece goods stores	10,254	74.91	Fabric shop
45114	Musical instrument and supplies stores	2.992	159.68	See "Regional Centers"
45121	Book stores and news dealers	2,905	161.16	Books
45122	Prerecorded tape, CD, and record stores	2,900	163.04	Records and Tapes
45211	Department stores (ex. leased depts.)	73,500	142.31	Discount Department Store
45291	Warehouse clubs and superstores			
45299	All other general merchandise stores			
45311	Florists	1,600	149.82	Flowers/Plant Store
45321	Office supplies and stationery stores	23,003	262.26	Office Supplies
45322	Gift, novelty, and souvenir stores	3,000	126.70	Cards and gifts
45331	Used merchandise stores			
45391	Pet and pet supplies stores	2,933	122.48	Pet Shop
45392	Art dealers	1,605	154.79	Art Gallery

Section

8

Analysis of Service Business Opportunities

This section of the report provides detailed information on consumer demand and competition (supply) for specific service business categories. The purpose is to identify potential market opportunities for business expansion or recruitment.

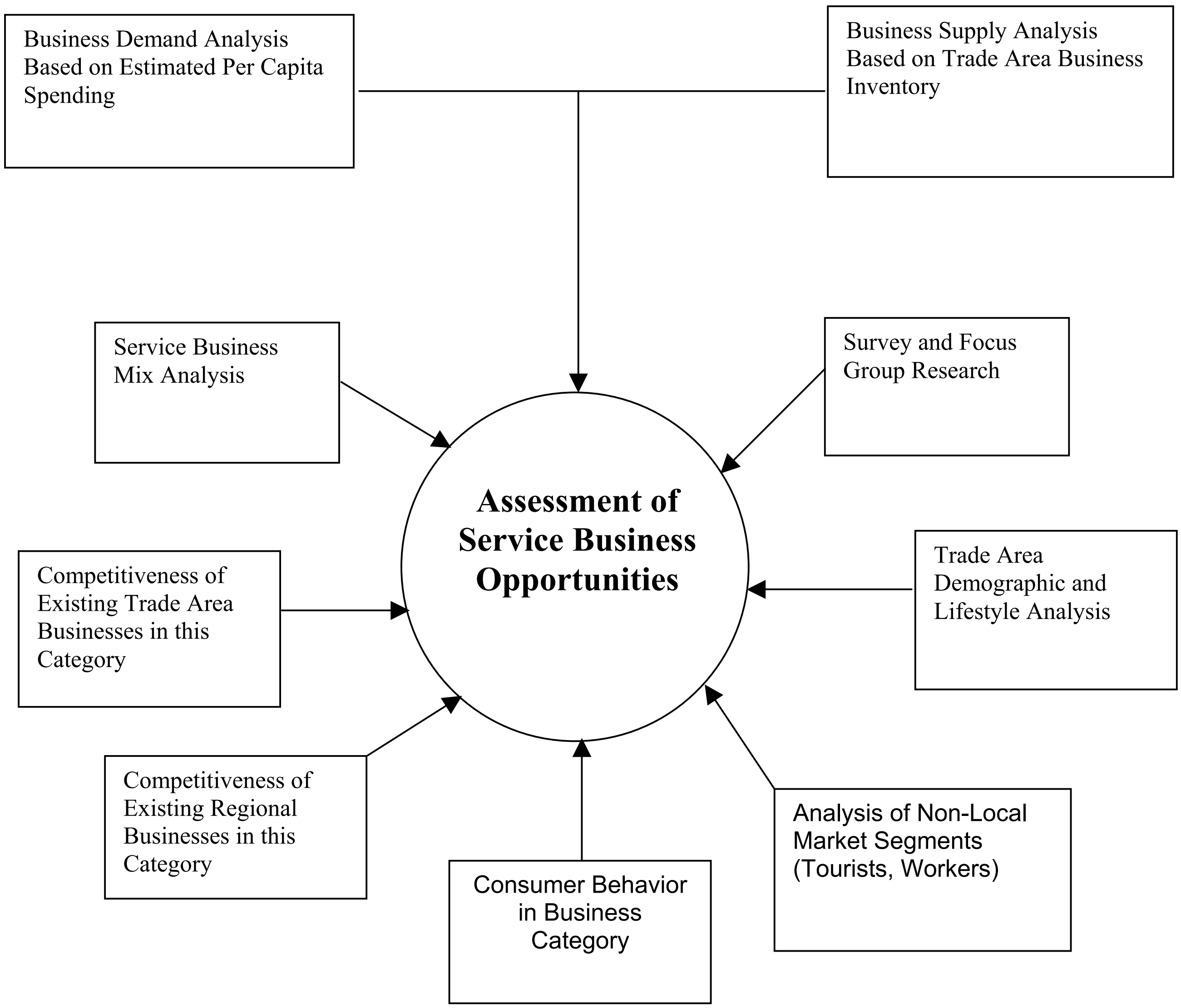
Market conditions in selected service business categories were using estimates of consumer spending potential (demand) and estimates of the number of businesses currently existing in that category (supply). A comparison of demand and supply by business category was conducted to identify gaps where demand clearly exceeds supply.[1]

After considering other market factors including how and where local residents purchase services, conclusions were drawn regarding potential business categories that deserve further market research. A flowchart describing the analysis for each service business category is presented on the following page.

In this section, demand and supply for selected business categories are presented. Standardized categories using five digit codes from the North American Industry Classification System (NAICS) are used. Appendix A provides the data that was used in calculating demand for each business category in this section. The data in this table can also be used to study other service business categories (not included in this report) on an as-needed basis.

(3) Using the Economic Census, actual business sales levels for the state can be used as a surrogate for consumer demand. The underlying assumption is that aggregate consumer demand at the state level is fairly well represented by the aggregate sales captured at the state level. This is a reasonable assumption in states that do not experience significant sales leakage to adjacent states. By dividing actual state sales by state population, state estimates of per capita consumer demand can be made. These state estimates can then be localized through an adjustment for per capita income differences. See Appendix A for estimates of per capita consumer demand.

Evaluating Service Business Opportunities
By Business Type



Auto Repair Services (NAICS 53212, 53211, 81293, 81112, 81111, 32621, 81119, 48841)

This category includes establishments that provide a variety of automobile repair services. These services include engine, exhaust, tire and brake repair or diagnostics as well as body repair, painting and customization services. This category also includes related automobile services such as towing, roadside assistance, car rental and car washing.

Service Business Supply

The table below lists all of the businesses in this category within the primary trade area. In addition, there other businesses that compete to varying degrees for the sale of similar services, but are classified in other categories.

NAICS	Business Name	Address	City	Comments
753201	Paul Sturm	275 E. Grand	Chilton	2,160 Square feet
753201	Westside	717 Quinney Rd	Chilton	5,916 Square feet
753201	J B Custom	1209 Park	Chilton	2,000 Square feet
753207	Color Rite Inc	N2881 Driftwood	Chilton	
753801	Bernie's Auto	1126 E Chestnut	Chilton	3,000 Square feet
753201	Joe's Auto	11807 Lax	Kiel	6,000 Square feet
753801	Kiel Auto	1301 Hwy 67	Kiel	3,448 Square feet
753801	Bill's Hwy 67	12734 State Rd	Kiel	5,000 Square feet
753801	Cedar Lake	13335 Cedar	Kiel	
753801	Rumpff School	15631 Cty Hwy X	Kiel	
753810	Carquest Of	630 Park Ave.	Kiel	10,000 Square feet
753801	Marytown	N10518 Hwy G	New	2,000 Square feet
754901	Lee's Friendly	1804 Wisconsin	New	1,824 Square feet
-	Inovative Auto	2220 Calumet	New	3,680 Square feet
-	Schaar's	1515 Wisconsin	New	1,296 Square feet

Service Business Demand

Consumer expenditure demand represents the amount of annual spending of residents of the primary trade area in this business category. It was calculated as follows:

Consumer Demand Calculation	
Step 1: Calculate Statewide per Capita Spending	
1997 US Census of Trade Sales for Wisconsin in this Category (a)	1,754,948,000
÷ Wisconsin Population 1997	5,166,069
= Estimated Per Capita Spending - 1997	340
Step 2: Adjust for Differences in Primary Trade Area Per Capita Income	
x Adjustment for Per Capita Income (b)	.958
= Estimated Primary Trade Area Per Capita Spending	326
Step 3: Calculate Primary Trade Area Demand in Dollars	
x Primary Trade Area Population -current year	20,755
= Estimated Consumer Spending Demand (for current year expressed in 1997 dollars)	6,766,000
Notes: *(a) Based on US Census of Retail Trade.* *(b) Based on Primary Trade Area Per Capita Income ÷ State Per Capita Income. 2000 CACI estimates.*	

Conclusion

Market is already adequately served

Child Care Services (NAICS 62441)

This category includes those establishments involved in providing child care. These establishments include child care centers, nursery schools, private kindergartens, and baby sitting services.

Service Business Supply

The table below lists all of the businesses in this category within the primary trade area. In addition, there other businesses that compete to varying degrees for the sale of similar services, but are classified in other categories.

NAICS	Business Name	Address	City	Comments
62441	Happy Hour Nursery School	60 E. Washington	Chilton	1,500 square feet
62441	Children's Center	453 Brooklyn	Chilton	3,885 square feet
62441	Kiel Cooperative-School	621 6th Street	Kiel	2,000 square feet
62441	Sandy's Wee Woddlers	1922 Roosevelt Avenue	New Holstein	512 square feet

Service Business Demand

Consumer expenditure demand represents the amount of annual spending of residents of the primary trade area in this business category. It was calculated as follows:

Consumer Demand Calculation	
Step 1: Calculate Statewide per Capita Spending	
1997 US Census of Trade Sales for Wisconsin in this Category (a)	271,634,000
÷ Wisconsin Population 1997	5,166,069
= Estimated Per Capita Spending - 1997	53
Step 2: Adjust for Differences in Primary Trade Area Per Capita Income	
x Adjustment for Per Capita Income (b)	.958
= Estimated Primary Trade Area Per Capita Spending	51
Step 3: Calculate Primary Trade Area Demand in Dollars	
x Primary Trade Area Population -current year	20,755
= Estimated Consumer Spending Demand (for current year expressed in 1997 dollars)	1,059,000
Notes: *(a) Based on US Census of Retail Trade.* *(b) Based on Primary Trade Area Per Capita Income ÷ State Per Capita Income. 2000 CACI estimates.*	

Conclusion

Market is already adequately served

Motion Picture Theaters (NAICS 51213)

This category includes those establishments showing motion pictures.

Service Business Supply

The table below lists all of the businesses in this category within the primary trade area. In addition, there other businesses that compete to varying degrees for the sale of similar services, but are classified in other categories.

NAICS	Business Name	Address	Zip Code	Comments
	None			

Service Business Demand

Consumer expenditure demand represents the amount of annual spending of residents of the primary trade area in this business category. It was calculated as follows:

Consumer Demand Calculation	
Step 1: Calculate Statewide per Capita Spending	
1997 US Census of Trade Sales for Wisconsin in this Category (a)	112,930,000
÷ Wisconsin Population 1997	5,166,069
= Estimated Per Capita Spending - 1997	22
Step 2: Adjust for Differences in Primary Trade Area Per Capita Income	
x Adjustment for Per Capita Income (b)	.958
= Estimated Primary Trade Area Per Capita Spending	21
Step 3: Calculate Primary Trade Area Demand in Dollars	
x Primary Trade Area Population -current year	20,755
= Estimated Consumer Spending Demand (for current year expressed in 1997 dollars)	436,000
Notes: *(a) Based on US Census of Retail Trade.* *(b) Based on Primary Trade Area Per Capita Income ÷ State Per Capita Income. 2000 CACI estimates.*	

Conclusion

Market is under-served. Potential exists to develop a multi-screen theater to serve the three-community trade area, perhaps in conjunction with a restaurant and lodging operation.

Photographic Studios (NAICS 54192)

This category includes establishments providing personal and passport portraits.

Service Business Supply

The table below lists all of the businesses in this category within the primary trade area. In addition, there other businesses that compete to varying degrees for the sale of similar services, but are classified in other categories.

NAICS	Business Name	Address	City	Comments
	Reische Limited	12 E. Water Street	Kiel	1,886 square feet
	Theel Photography	13129 Louis Corners Rd	Kiel	1,000 square feet
	Photographic Memories	W2670 St. Charles Road	Chilton	1,200 square feet

Service Business Demand

Consumer expenditure demand represents the amount of annual spending of residents of the primary trade area in this business category. It was calculated as follows:

Consumer Demand Calculation	
Step 1: Calculate Statewide per Capita Spending	
1997 US Census of Trade Sales for Wisconsin in this Category (a)	95,719,000
÷ Wisconsin Population 1997	5,166,069
= Estimated Per Capita Spending - 1997	19
Step 2: Adjust for Differences in Primary Trade Area Per Capita Income	
x Adjustment for Per Capita Income (b)	.958
= Estimated Primary Trade Area Per Capita Spending	18
Step 3: Calculate Primary Trade Area Demand in Dollars	
x Primary Trade Area Population -current year	20,755
= Estimated Consumer Spending Demand (for current year expressed in 1997 dollars)	374,000
Notes: *(a) Based on US Census of Retail Trade.* *(b) Based on Primary Trade Area Per Capita Income ÷ State Per Capita Income. 2000 CACI estimates.*	

Conclusion

Market is already adequately served

Radio and TV Repair Services (NAICS 81121)

This category includes those establishments providing repair services for televisions, radios, stereos, and video recording equipment.

Service Business Supply

The table below lists all of the businesses in this category within the primary trade area. In addition, there other businesses that compete to varying degrees for the sale of similar services, but are classified in other categories.

NAICS	Business Name	Address	Zip Code	Comments
	none			

Service Business Demand

Consumer expenditure demand represents the amount of annual spending of residents of the primary trade area in this business category. It was calculated as follows:

Consumer Demand Calculation	
Step 1: Calculate Statewide per Capita Spending	
1997 US Census of Trade Sales for Wisconsin in this Category (a)	183,049,000
÷ Wisconsin Population 1997	5,166,069
= Estimated Per Capita Spending - 1997	35
Step 2: Adjust for Differences in Primary Trade Area Per Capita Income	
x Adjustment for Per Capita Income (b)	.958
= Estimated Primary Trade Area Per Capita Spending	34
Step 3: Calculate Primary Trade Area Demand in Dollars	
x Primary Trade Area Population -current year	20,755
= Estimated Consumer Spending Demand (for current year expressed in 1997 dollars)	706,000
Notes: *(a) Based on US Census of Retail Trade.* *(b) Based on Primary Trade Area Per Capita Income ÷ State Per Capita Income. 2000 CACI estimates.*	

Conclusion

Market opportunities may exist in this category.

Video Tape Rental (NAICS 53223)

This category includes those establishments that rent video games and video discs as well as video games.

Service Business Supply

The table below lists all of the businesses in this category within the primary trade area. In addition, there other businesses that compete to varying degrees for the sale of similar services, but are classified in other categories.

NAICS	Business Name	Address	Zip Code	Comments
	none			

Service Business Demand

Consumer expenditure demand represents the amount of annual spending of residents of the primary trade area in this business category. It was calculated as follows:

Consumer Demand Calculation	
Step 1: Calculate Statewide per Capita Spending	
1997 US Census of Trade Sales for Wisconsin in this Category (a)	120,057,000
÷ Wisconsin Population 1997	5,166,069
= Estimated Per Capita Spending - 1997	23
Step 2: Adjust for Differences in Primary Trade Area Per Capita Income	
x Adjustment for Per Capita Income (b)	.958
= Estimated Primary Trade Area Per Capita Spending	22
Step 3: Calculate Primary Trade Area Demand in Dollars	
x Primary Trade Area Population -current year	20,755
= Estimated Consumer Spending Demand (for current year expressed in 1997 dollars)	457,000
Notes: *(a) Based on US Census of Retail Trade.* *(b) Based on Primary Trade Area Per Capita Income ÷ State Per Capita Income. 2000 CACI estimates.*	

Conclusion

Market appears to be served by other retailers (including Kwik Trip and Stell's Piggly Wiggly) that offer video rental departments.

Appendix A
Calculation of Service Business per Capita Sales and Market Threshold
State of Wisconsin
1997 Dollars
Based on the 1997 Economic Census, U.S. Census Bureau

NAICS	Description	Businesses	Sales $000	Sales/Estab	$ Per Capita	Persons Per Estab.
56151	Travel Agencies	515	128,770	250,039	25	10,031
52211, 52221, 52219, 52213	Banks and Credit Unions	1,895	6,715,994	3,544,060	1,300	2,726
52311, 52312, 52313, 52314, 52321, 52392, 52393	Security and Commodity Brokers	741	1,515,934	2,045,795	293	6,972
52421, 52429	Insurance Agents and Brokers	3,292	1,251,540	380,176	242	1,569
53121, 81399, 53131, 53132, 81222, 53139	Real Estate Agents and Managers	2,366	990,571	418,669	192	2,183
7211	Lodging Accommodations	1,184	1,087,970	918,894	211	4,363
81232, 81233, 81231	CoinOperated Laundries and Cleaners	666	316,592	475,363	61	7,757
54192	Photographic Studios	386	95,719	247,977	19	13,384
812112, 812111	Beauty Shops/Barber Shops	2,290	301,647	131,724	58	2,256
81143	Shoe Repair and Shine	31	2,608	84,129	1	166,647
54121	Auditing, Accounting, Bookkeeping, Tax Return Services	1,657	789,127	476,238	153	3,118
81219, 53222	Miscellaneous Personal Services formal wear, tanning, etc.	282	55,508	196,837	11	18,319
323114, 561439	Photocopying and Duplication Services	263	174,734	664,388	34	19,643
53221, 53231, 53229, 53241, 56299, 53242, 53249	Rental Services	479	372,446	777,549	72	10,785
54161, 56131	Employment Agencies	948	582,958	614,935	113	5,449
54151, 51121, 33461, 54151, 51419, 54153, 81121	Computer Related Services	2,187	2,949,308	1,348,563	571	2,362
53212, 53211, 81293, 81112, 81111, 32621, 81119, 48841	Auto Repair Services	3,584	1,754,948	489,662	340	1,441
81121	Radio and TV Repair Services	257	183,049	712,253	35	20,101
51213	Motion Picture Theaters	135	112,930	836,519	22	38,267
53223	Video Tape Rental	416	120,057	288,599	23	12,418
71395	Bowling Centers	321	120,244	374,592	23	16,094
71394	Health Clubs and Fitness Centers	376	150,541	400,375	29	13,740
62149, 62111	Physician Offices	2,549	4,175,227	1,637,986	808	2,027
62121	Dental Offices	2,203	979,157	444,465	190	2,345
54111	Legal Services	2235	1,345,764	602,132	261	2,311
62441	Child Care Services	1417	271,634	191,697	53	3,646
71211	Museums and Art Galleries	90	108,897	1,209,967	21	57,401

Estimates in italics based on adjusted US Total $/Establishment
Population for determining per capita income based on 1996 estimates from Urban Decision Systems, Inc.

Section 9

Analysis of Restaurant Opportunities

This section explores market opportunities for new restaurants in New Holstein. It includes data on local resident demand, an analysis of downtown as a location for future restaurant development, possible restaurant concepts, and a summary of existing competition.

Local Resident Demand

Overall U.S. restaurant expenditure trends are localized and presented here to describe household and per capita spending potential in the New Holstein primary trade area. Local resident lifestyle segments and their demographics are studied to determine the attractiveness of the local market from a restaurateur's perspective.

CACI ACORN Customer Classifications and their Purchasing Potential

ACORN™ consumer classification data from CACI™ Marketing systems was used to learn about dining-out activity among household groups in the primary trade area. Overall, ACORN suggests that the New Holstein primary trade area is a good market for restaurant demand.

Middle America -7A represents 55% of households in the trade area. They are near the national average in number of times they dine out per year (Purchasing Potential Index (PPI) =97). However, they tend to prefer fast food over ethnic restaurants (except pizza).

Rustbelt Neighborhoods - 7F represent 20% of households in the trade area. They are near the national average in number of times they dine out per year (Purchasing Potential Index (PPI) =92). However, they tend to prefer fast food over ethnic restaurants (except pizza).

Demographic Characteristics

Selected demographic data for the primary trade area (presented earlier in this report) is analyzed and compared with other communities and the state to gauge the overall attractiveness of local restaurant demand.

U.S. Dining-Out Characteristics, 1998	Analysis of Trade Area Demographics
Household Income - Expenditures on food away from home rises dramatically for households with income before taxes of $30,000 or more. Households with an annual income of $70,000 spent an average of $1,396 per capita on food away from home. In contrast, households with income before taxes between $15,000 - $19,999 spent an average of $570 per capita.	Household incomes in trade area are 10% higher than the rest of the state, suggesting higher expenditures on food away from home.
Age - Households headed by persons between the ages of 45 and 54 spent the most per capita on food away from home ($967). Adults between the ages of 35 and 54 have higher incomes, resulting in higher spending. However, adults between 35 and 44 are also in their prime years for raising kids; their larger household size reduced spending to $739 per capita. Spending also decreases among households headed by persons age 65 and older to $702 per capita.	The trade area is slightly older than the state. Households with head-of-households 65+ years represented 27% of market (compares to 23% for the state). These differences may have a minor influence on dining spending potential.
Household Size - One-person households posted the highest per-capita spending on food away from home of $1,232. The per-capita spending by two-person households was $1,034. Larger households allocated a smaller portion of their total food dollar on food away from home and, as a result, posted lower per-capita spending. Households with two or more persons allocated a $757 per capita on food away from home.	The trade area has a slightly larger average household size compared to the state. This suggests that per capita spending may be slightly lower here as compared to the rest of the state. Further, single person households (the highest per capita spenders) represent a smaller percent of the trade area compared to the state.
Household Composition - This is one of the most important factors influencing restaurant spending. Households with only a husband and wife posted the highest per-capita spending on food away from home ($1,083). The addition of children increases household size and has a dampening effect on spending. Households with the oldest child age 18 and older spent about 24 percent more per capita than households with the oldest child under the age of 6 ($837 versus $676).	New Holstein has more families with children and more older people compared with the rest of the state. These segments have lower spending potential than households with only a husband and wife.
Occupation - Persons employed in managerial and professional occupations posted the highest per-capita spending on food away from home ($1,112), followed by persons employed in technical, sales and clerical occupations ($945). Households headed by persons employed in blue-collar occupations spent less because of lower incomes and larger household sizes.	New Holstein has a higher percentage of "blue collar" workers as compared to the rest of the state. However, many blue collar workers have higher incomes than white collar workers in this area. Accordingly, occupation should not influence dining-out spending potential in the trade area.
Source: Restaurants USA, August 2000, article by Robert Ebbin	

Location Analysis

Additional analysis of the restaurant market is needed that looks beyond the local residential base to include all people who travel through or to the downtown area (residents and non-residents). In this analysis, traffic patterns and provide an important indicator of the level of exposure a new restaurant would receive as a specific location.

In addition to traffic patterns, potential "demand generators" in the community might contribute to restaurant utilization levels. Company offices and manufacturing firms, hospitals, colleges and shopping malls typically generate a significant amount of restaurant business, often from nonresidents coming into the community.

The following worksheet summarizes the location analysis for two sites in New Holstein: Downtown and the Highway 57 Corridor North.

Traffic and Demand Generator Considerations	**Downtown Restaurant Site**	**Highway 57 Corridor North Restaurant Site**
Traffic volume and direction	9000 average cars/day on Hwy 57 in downtown area	6800 average cars/day on Hwy 57 north
Visibility, Accessibility and Parking	Off street parking would be necessary to supplement street parking.	Adequate access to parking. Already a business district so there are many possibilities. Cost of acquiring property is not an issue.
Pedestrian Volume	Employees walk downtown from Tecumseh	N/A
Major Demand Generators	Tecumseh, Ameriquip, M-B Specialties, other downtown demand generators	Location is closer to high school. Location might also be proximate to a new hotel if one is developed in the community.
Which meal periods are likely to draw the most customers?	Lunchtime at Tecumseh currently draws, but an in-house cafeteria under consideration may reduce that potential customer base.	Lunchtime at Tecumseh currently draws, but an in-house cafeteria under consideration may reduce that potential customer base.
Are there seasonal trends that could affect the business?	No. However, there are a few regional events that bring traffic through the area (Road America, EAA, others.)	No. However, there are a few regional events that bring traffic through the area (Road America, EAA, others.)

Possible Restaurant Concepts

The next step involves using the data about the local resident demand and community as a potential site to identify potential restaurant concepts that fits the area's needs and preferences.

A concept is a combination of ideas that forms the foundation for a particular type of restaurant operation. It means making decisions about the components of the restaurant including theme, menu, service style, hours of operation, price, entertainment and atmosphere.

Concepts under consideration for the downtown area are presented below. Reasons why these concepts are compatible with consumer behavior in the primary trade area are also presented.

Possible Restaurant Concepts	Compatibility with Local Consumer Behavior
Fast food (chain style) Chains includes Burger King, McDonalds, Dairy Queen, Wendys', Culver's among others	Majority of respondents in the employee surveys responded favorably to this category. It was also mentioned in responses to the Chamber's resident survey. CACI ACORN suggests fast food is popular among household categories that make up a large part of the trade area. There is also a slightly higher percent of children (ages 5-17) in this area based on local population data.
Full service family dining (chain or independent) Chains includes Denny's, Perkins, Applebees among others	Employee survey as well as resident survey (conducted by the Chamber) suggest interest in this category. This concept would appeal to a wide market including many consumer groups within the trade area (families with children, older residents, business travelers, etc.).

Competitive Supply of Restaurants

Based on the restaurant concepts identified, competitive restaurants in the primary trade area were identified and analyzed. Information about these establishments are presented below:

Supply of Restaurants

Business Name	Address	Zip Code	Concept
Dairy Queen	621 N. Madison	Chilton	Fast Food
Subway Sand & Salads	507 N. Madison	Chilton	Fast Food
Uptown Café	32 W. Main	Chilton	Sit down cafe
Seven Angels	128 E. Chestnut St.	Chilton	Sit down cafe
Mc Donald's	1123 E. Chestnut St.	Chilton	Fast Food
Taco Bell	245 Calumet	Chilton	Fast Food
Roepke's Village Inn	W2686 St. Charles Rd	Chilton	Fine dining/Supper Club
Pennelopy's Pizzaria	104 S. Side Shopping Ctr	Chilton	Pizza
Laughrin's Kloten Oasis	W4552 Hwy F	Chilton	Banquet Hall, fish fry Friday
Coach Lite Inn	310 E. Main Street	Chilton	-
Central House		Chilton	Supper Club/Family style
Stationhouse 57	911 Calumet Avenue	Kiel	Sit down family style
Mc Donald's	P.O. Box 151	Kiel	Fast Food
Dairy Queen	114 Fremont Street	Kiel	Fast Food
River View Restaurant	128 Fremont Street	Kiel	Sit down family style
Larry's Good Time Inn	310 Hwy 67	Kiel	Tavern
Breit's Subway Co Inc	52 E. Park Ave.	Kiel	Fast food
Millhome Supper Club	16524 Lax Chapel Road	Kiel	Banquet hall, Supper club
Cedar Lake Resort	14133 Cedar Lake Road	Kiel	Supper club, Banquet hall
Hot Stuff Pizza	721 Fremont Street	Kiel	Pizza
Nigrelli's	819 Service Road	Kiel	Pizza and liquor
Runday's Sport-N-Grill	2122 Wisconsin Avenue	New Holstein	Tavern and sit down
Bonita's Red & White	2235 Wisconsin Avenue	New Holstein	Sit down full service
Diner	1701 Wisconsin Avenue	New Holstein	Sit down family style
Village Inn Pizza	1706 Wisconsin Avenue	New Holstein	Pizza
South Town Family Rest	1305 Milwaukee Drive	New Holstein	Sit down family style
Subway Sand. & Salads	2305 Calumet Drive	New Holstein	Fast Food
Altona Supper Club	2306 Calumet Drive	New Holstein	Supper club and banquet hall
Beacon	2100 Wisconsin Ave.	New Holstein	Sit down family style
Tecumseh	1604 Michigan Ave.	New Holstein	In-house staff lunch 11:30-12:45
Schwarz's Supper Club	W1688 Sheboygan Road	New Holstein	Supper club

The table indicates that the New Holstein trade area is served by a large number of independent restaurants. Although there are a few fast-food chains in the trade area, the New Holstein zip code area is only served by one (Subway). Specific family restaurant concepts may also be missing in the trade area offering potential opportunity for new restaurant development.

Conclusions

Assessment	New Holstein Trade Area
Is demand for the type of restaurants considered greater than the supply of restaurant seats now available?	Demand for fast food restaurants and family style dining appears to exceed supply based on survey results.
Do the types of restaurants concepts considered have the capability to attract customers away from competition?	The intent is to not take customers away from competition, but rather, to capture latent demand not currently served in the community.
Do the types of restaurants concepts considered have the capability to encourage segments in the primary trade area to dine out more frequently?	Yes, by offering new dining opportunities.

This section was adapted from: Conducting a Feasibility Study for a New Restaurant, National Restaurant Association, 1998 and Restaurant Market Analysis, University of Wisconsin - Extension, 1994.

Section

10

Analysis of Lodging Opportunities

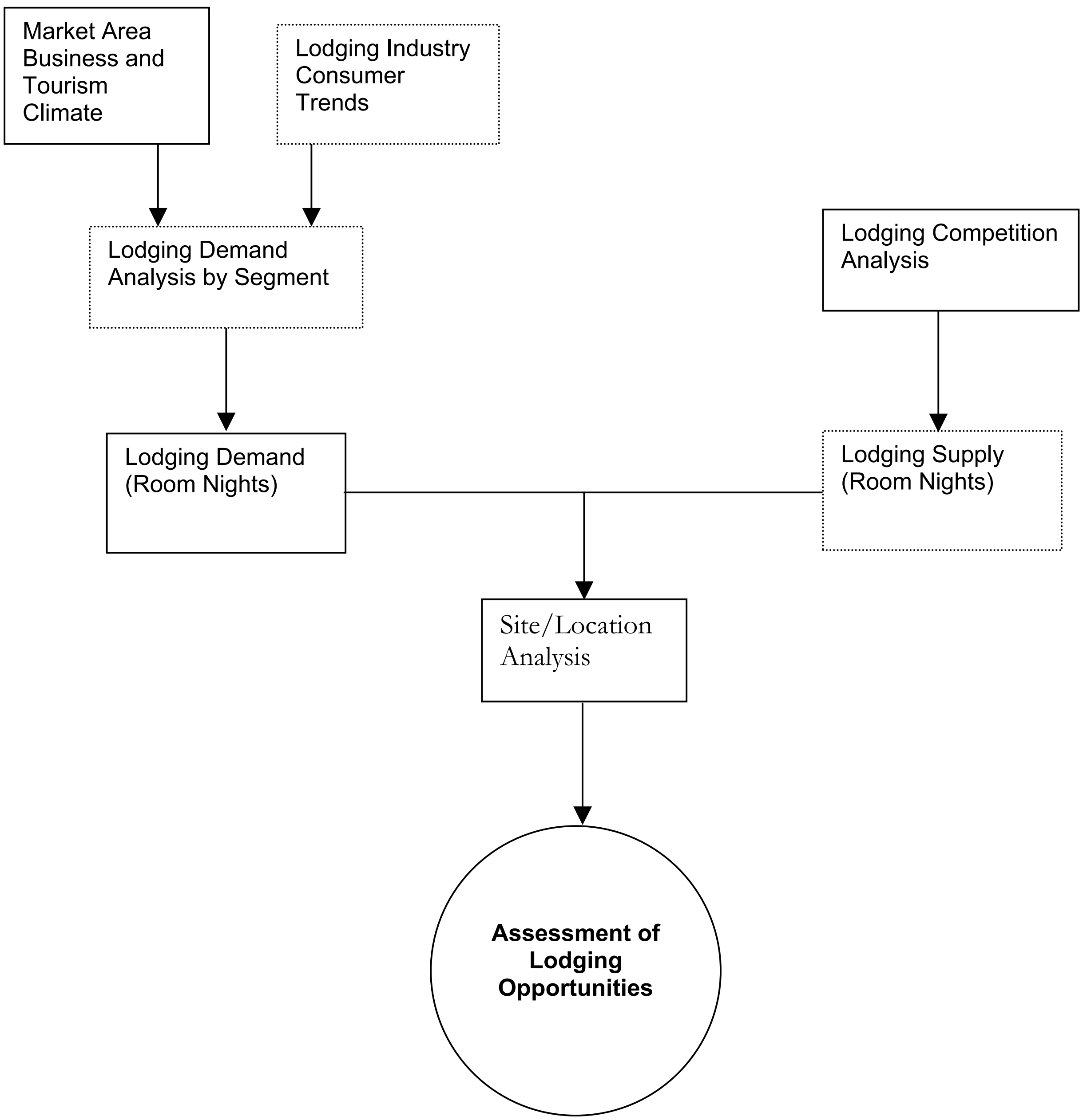
This section explores market opportunities for new lodging accommodations in the New Holstein trade area. It studies local travel and visitation trends, existing competition, traveler market segments in the area, and projected room night demand. This section can be used in projecting the occupancy and average room rate that a new property could achieve, key variables in determining the viability of a new hotel.

A hotel can be an extremely valuable addition to a community. It can fill a compelling market need by visitors to area businesses and institutions. Hotels can generates sales for nearby retail and service businesses and capture tourism dollars in the community. Hotels also generate significant tax revenues while creating many new jobs for local residents.

Market conditions in an area have a significant impact on the feasibility of a new hotel. The strength of the local lodging market affects how many rooms can be sold and the rates that can be charged. This section examines the New Holstein trade area to gauge the market potential of a new lodging facility.

The flowchart for a comprehensive hotel market analysis is presented on the next page. Due to data limitations and the lack of competitive facilities in the New Holstein trade area, only an abbreviated assessment of the lodging market is possible. The flowchart boxes with solid lines were used in this assessment.

Flowchart for Evaluating Lodging Opportunities



Note: Boxes with dashed-lines represented parts of a comprehensive lodging market analysis that were not completed in this initial lodging assessment

Lodging Demand

Lodging demand is typically generated from a combination of three general market segments. These segments include business travelers, tourists, and group and convention attendees. For purposes of this analysis, the analysis of lodging demand focused primarily on the business traveler sector.

Lodging Market Segments

Business travelers include people traveling on business representing commercial, industrial and governmental organizations. Peak business demand is usually experienced Monday through Thursday nights. Reasons for staying in a community might include conducting business with a local company (recruiting, training and management meetings); calling on multiple businesses (by suppliers, vendors and sales representative); and stopping over between destinations.

Leisure travelers may visit an area for a vacation, to attend sporting or social events, to shop, or to visit friends and relatives. They might be staying over simply because they are traveling to other destinations. Leisure travelers may be individuals, couples, families, or small groups. Travelers visiting hospitals and universities are typically included in this market segment. Leisure room demand is often seasonal.

The group market consists of both leisure and business travelers. Leisure groups include bus tours, school activities, athletic events, etc. Tour groups are often brought to an area for sightseeing and attending special events. Local attractions that appeal to leisure tour groups may have records of the numbers and names of tour operators who have visited their attractions. Business group meetings are typically associated with conferences, board meetings, training programs, seminars, trade shows, and other gatherings. Often the sponsoring organization will be from the local area. Out-of-town organizations may use local meeting facilities because they often rotate the sites of their regional meetings.

New Holstein Area Lodging Survey of Business Lodging Needs

With a focus on the business traveler segment, a survey of local business representatives was conducted. The purpose of this survey was to quantify how many room nights they might generate for a new hotel in the trade area. The table on the following page summarizes the responses from eight areas businesses.

Key findings include:

- Local lodging demand is being accommodated in Plymouth and other surrounding communities.
- Most of the firms surveyed identified significant overnight visitation to their plant or facility.
- Area companies generate significant group meeting demand.
- Room rates deemed appropriate by respondents ranged from $50 - $75 (economy range).
- The largest demand generator appears to be Tecumseh Products located in New Holstein

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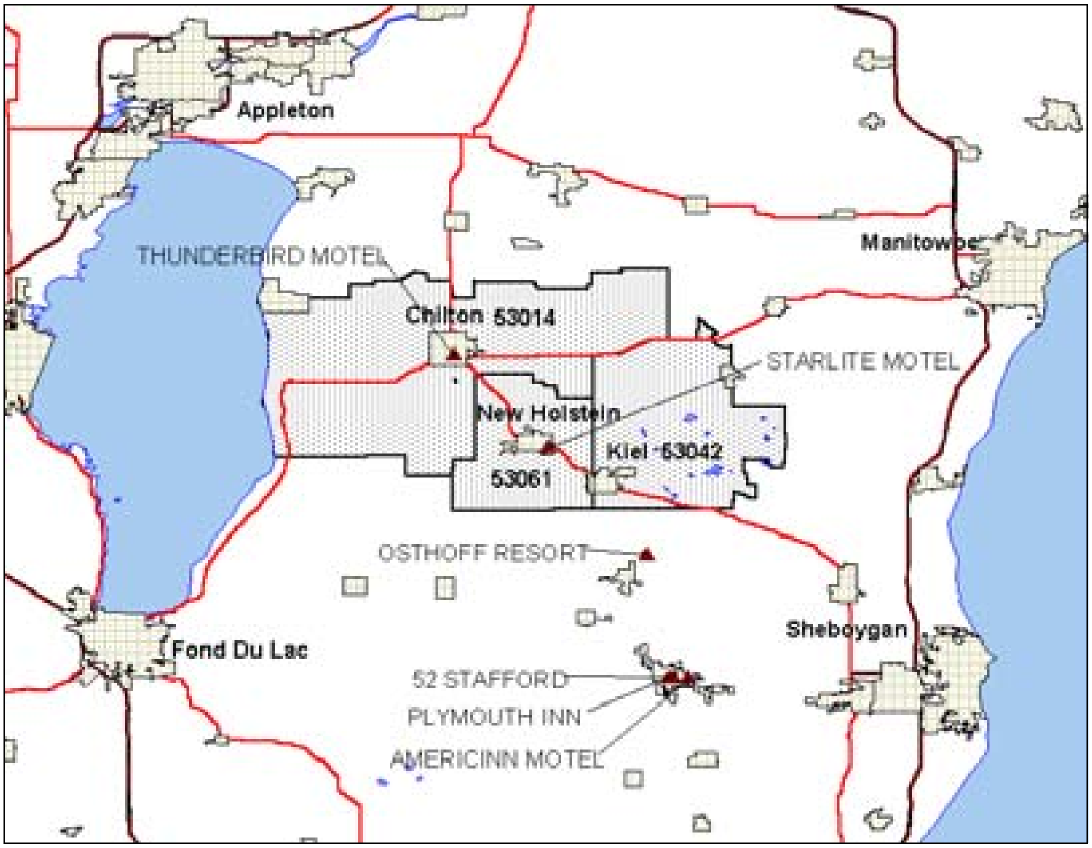
	Tecumseh Products	Briess Industries	M-B Companies, Inc.	Amerequip Corp.	Milk Specialties Co.	Milk Products Inc.	Kaytee Products	Stoelting, Inc.
1. Does your company require overnight lodging for visitors?	Freq.	Occa.	Occa.	Occa.	Freq.	Occa.	Occa.	Occa.
2. Would your company invite more visitors if additional lodging was available?	Yes	No	No	No	Yes	Yes	No	No
3. Nature of your guests' visits:								
Guest	x	x				x	x	
Company personnel	x				x	x	x	x
Training	x		x				x	x
Temporary assignment	x							
Permanent assignment (relocation)	x							
Business meeting/conference	x	x	x	x	x	x	x	x
Other								
4. Average number of visits/year								
Guest/Company personnel	>30			0	>30	11-20	<5	<5
Training	>30		>30	0			<5	<5
Temporary Assignment/Relocation	21-30			0			0	
Meeting/Conference	>30	11-20	>30	5-10	11-20	11-20	<5	11-20
Other								
5. N/A								
6. Average nights/visit	2	2-4	3	1	2	1	2	2
7. Weekday/Weekend	Both	Wkday	Both	Wkday	Wkday	Both	Wkday	Wkday
8. Single/Double	Both	Both	Both	Single	Both	Single	Both	Single
9. What current facilities to do use and what is the rate?								
Plymouth Inn (Plymouth)	$48							
AmericInn (Plymouth)	$46				x			x
Thunderbird Motel (Chilton)		<$50						
52 Stafford (Plymouth)	$54							x
Osthoff Resort (Elkart Lake)			x	x				x
Paper Valley Hotel (Appleton)			x					
Hilton (Appleton)			x					
Carion Hotel (Sheboygan)				x				
Starlite Motel (New Holstein)					x			
Sheraton (Milwaukee)					x			
10. What are the most important factors to you? (Most important=1, Least important=6)								
Price	3	2	3	4	3	2	1	3
Location	2	2	1	2	3	1	1	2
Quality of Amenities	1	2	2	2	1	3	2	3
Facilities Offered	3	3	2	2	1	3	2	3
Chain Affiliation	6	3	5	4	4	4	3	4
Other				2-clean				
11. What room rate do you feel is appropriate for the area?	$50-75	$50-75	$50-100	$50-75	$50-75	$50-75	$75-100	$75-100
12. Use-meeting facilities, banquet facilities, neither?	Mtg.		Neither	Mtg.	Neither	Both	Mtg.	Both
Average number of meetings/year	24			1-2		12	1	1
Average size of group/meeting	20			15		10-20	25	50
% of attendees needing lodging	85%			0		75	50	10
Average number of banquet/year	8					4		
Average size of banquet	40					20-80		
% of banquet needing lodging	60%					75		
13. Type of lodging preferred (Economy/Full Service)	Econ.	Econ.	Either	Econ.	Econ.	Full	Full	Econ.

Lodging Competitive Analysis

New Holstein is primarily served by six lodging facilities within a 15 mile drive. In addition, there is a significant supply of lodging facilities in regional communities including Fond du Lac, Appleton, Manitowoc and Sheboygan. The New Holstein trade area does not have any chain-affiliated hotels upon which to gauge market strength for lodging development.



The following is a brief summary of each existing property within 15 miles of New Holstein.

Starlite Motel

The Starlite Motel is located on Milwaukee Street in New Holstein. It is a traditional motel and the lodging property in New Holstein. The Starlite has 17 units. Published room rates are $40 for summer and $35 for winter. The property primarily serves business travelers especially construction workers.

Thunderbird Lodge

The Thunderbird Lodge is located six miles north of New Holstein in Chilton. It is a traditional motel located near the intersection of State Hwys 32/57 and 151. There are 15 guest rooms, with room rates ranging from $36 to $57 per night depending on number of occupants and day of week.

The Osthoff Resort

The Osthoff Resort is located approximately ten miles south of New Holstein in Elkheart Lake. It is a AAA Four Diamond property, features 145 finely-appointed one-, two-, and three-bedroom guest suites up to 2,300 sq. ft. Each suite includes a fully-equipped kitchen, dining area, living room with fireplace and private balcony. Many suites include whirlpool baths.

The high season for the property is July and August. Published rates range from $169 - $400 during the peak season (for a 3-bedroom suite). It's market is roughly have tourist/leisure and half group meetings. Corporate business travel is minimal. Room demand from travelers to New Holstein is very limited (less than 20 room nights).

On-site recreational amenities available to guests include: whirlpools, saunas, & fitness centers, heated indoor and outdoor pools, bike & boat rentals, canoes, pontoons, ski boats, sailboats, and paddleboats, sandy shoreline with piers and beaches, tennis courts & basketball area, volleyball courts bathhouse and concession stand, and picnic & play areas. The property also offers banquet, conference facilities, gift shop, arcade, restaurant, and underground parking.

52 Stafford

52 Stafford is located 15 miles southeast of New Holstein in Plymouth. It is an older, renovated facility located in downtown Plymouth with emphasis on the historical architecture. There is lodging upstairs with about 10-15 rooms and a renovated restaurant in the lower level. There is a fine dining menu. There is no pool.

Plymouth Inn

The Plymouth Inn is located 15 miles southeast in Plymouth. It is the newest lodging facility in the area and features a whirlpool, and continental breakfast. Rooms include satellite TV, phone and modem jacks. The property is 5 minutes from the Road America Race Track.

Americ Inn

The AmericInn is located 15 miles southeast in Plymouth. This is a newer chain hotel that caters to the budget traveler. The property has 38 units and is a limited service hotel (no restaurant). Amenities include a game room, whirlpool, sauna/spa, and indoor heated pool.

Proposed Additions to Supply

There is a proposed 35 room facility that is to be built six miles north of New Holstein in Chilton. The facility is believed to have a Best Western affiliation. The proposed location is near Wal-Mart and McDonalds near the interesection of State Hwys. 32/57 and 151.

Location

Location is a critical consideration because if affects a hotel's ability to draw customers. It is important that a location be visible, accessible, convenient and attractive to the market. Surrounding land uses are important for all types of lodging operations. Aesthetics of the area, noise, safety and other factors should be considered. The following is an assessment of New Holstein as a possible location for a new hotel to serve the trade area.

Proximity to area demand generators

The total number of business room nights as reported in the business lodging survey is 3,500. Based on feedback from several other New Holstein businesses, there is reason to believe the actual area demand from local businesses could be much higher than suggested by survey results. Further, there are a number of seasonal attractions and events in the area that could generate significant lodging demand. These include Road America in Elkhart Lake, the Experimental Aircraft Association fly-in in Oshkosh and other regional events.

New Holstein has the ability to draw business and personal travelers from the larger market trade area that includes Chilton and Kiel, given its central location and short drive times from those surrounding communities.

Compatibility of Surrounding Land Uses and Availability of Traveler Services

Traveler services include the location of a small airport on the southwest edge of New Holstein, just off of County Hwy H, approximately 2 miles from the intersection of Highways 32/57 and Hwy H. There are numerous walking distance restaurants in New Holstein's downtown area.

However, there currently are no regional or nationally affiliated restaurant chains in New Holstein. This is often a factor in the site selection process of economy hotel chains. The market potential of a new restaurant that could also serve the visitor market is addresses in the restaurant section later in this report. Accordingly, lodging and restaurant development should analyzed and planned in tandem.

New Holstein has an outdoor municipal pool, but no indoor pool. The opportunity exists for the local community to utilize a hotel pool facility on a fee basis.

Assessment of Lodging Opportunities

The criteria below describes one development scenario for a new hotel in New Holstein.

- Affiliation - regional or national chain.
- Product Category - limited service (no food or beverage)
- Room Type and Number - 35 standard rooms (most new, limited-service chain-affiliated lodging facilities have at least 35 rooms)
- Amenities and Facilities - meeting room, small indoor pool, exercise room.
- Market Area to be served - New Holstein primary trade area (three zip codes)
- Market segments to be served - primarily business travelers.
- Expected average room rate - $75 (current 2002 dollars)

For a 35-unit property to achieve an annualized occupancy of 65% (an typical breakeven point), approximately 8,000 room nights would have to be sold during its third or stabilized year (35 x 365 days x .65).

To sell 8,000 room nights, a new hotel would need to accommodate both business and leisure travelers. Assuming that two-thirds will need to come from business travelers, 5,300 room nights will need to be generated by local companies as well as business people traveling through the community on State Highways 57/32.

Based on the eight businesses surveyed, a very rough estimate of 1,000 hotel nights could be generated by these businesses. It is likely that this number is underestimated as businesses rarely track how many out-of-town visitors come to their business or plant. Also, the estimate of 1,000 does not include all businesses and industries in the trade area. Finally, a more precise estimate of Tecumseh demand is needed as they are the largest generator of room night demand in the community.

These numbers should be used as a starting point in understanding the volume of room night demand needed to make a hotel feasible. Given the shortage of local room supply and documented demand from a sample of eight local businesses, potential hotel development in the trade area may be feasible. Lodging development opportunities deserve additional research and consideration.

Section

11

Recommendations

The final part of the market analysis brings information together to develop realistic strategies for the community. These strategies are preliminary and have been developed to stimulate additional business development ideas for the community

To this point, the market analysis process has focused on collecting and analyzing data to understand market conditions and identify market opportunities by sector. The final part of the market analysis brings this data together to identify potential niche strategies, geographic clusters of businesses and business expansion and recruitment strategies for implementation. The overall market analysis process is presented below:

The Process	The Outcomes
Understanding Market Conditions • Business Mix Analysis • Trade Area Definition • Customer Demographics and Lifestyles • Local Economics • Consumer Attitudes • Business Operator Needs	Data on general market conditions provides business operators and investors the opportunity to better understand the competitive environment facing downtown. Data can be used to improve marketing activities, address design issues, improve business operations, and begin business expansion and recruitment activities.
Identifying Market Opportunities by Sector • Retail • Service Business • Restaurant • Lodging	The detailed review of specific business sectors provides a solid and justifiable base for business expansion and recruitment activities. The data analysis for each sector addresses the market demand and supply conditions of relevance to that sector.
Developing Market-Driven Strategies • Conclusions and Recommendations - Niche Strategies - Business Clustering - Business Retention, Expansion and Recruitment	Strategies are provided based on the realities of today's market and not the past. Niche development, clustering and retention/expansion/recruitment strategies provide downtown with a roadmap for determining a viable market position for itself. Strategies are also provided to put the market analysis to work.

Report Overview and Recommendations

There are a number of conclusions and key findings that are apparent as a result of conducting the New Holstein Market Analysis.

When examining New Holstein's retail business mix, it appears that there are fewer retail businesses in New Holstein than in the comparison communities examined in this study, but New Holstein's has more retail businesses in a defined downtown area than those communities to which it was compared. New Holstein also has a significant residential component located in its downtown.

Based on data provided by several New Holstein retailers, New Holstein's trade area is defined as an area that includes the cities of New Holstein, Chilton, Kiel, and the surrounding and adjacent area that follows the Highway 32/57 corridor. These three communities compose 75 percent of the customer base for New Holstein businesses. However, people employed in New Holstein come from a much broader area that represents 86 zip codes.

There are some interesting observations about New Holstein trade area demographics. There are approximately 21,000 residents in the trade area. The population in this trade area tends to be slightly older than average, and home ownership rates are well above average. The average income of residents in the trade area is well above the county and state average and median, and consumers tend to shop for quality. New Holstein's trade area is home to slightly higher than average numbers of high school graduates, but slightly lower than average post-high school degree graduates. For residents in this trade area, there is a high level of pride in the appearance of neighborhoods and home maintenance. These demographic trends include some useful information for current and future retail decisions.

When looking at economic factors in the community, the New Holstein market analysis has determined that the Highway 32/57 corridor and corresponding four business primary districts have significant economic impact on the community. The highest traffic volume is in the Uptown and Downtown districts with approximately 9,000 vehicles on an average day. The Calumet Drive area has an average of 6,800 vehicles per day while the Milwaukee Drive area has an average of 6,200 per day. A significant number of in-commuters work each day in New Holstein, and according to at least one study, each in-commuter represents a potential gain of $75/commuter week, or $3500/commuter annually.

When examining current consumer attitudes, the Market Analysis indicates that there is opportunity to improve New Holstein's self-image by capitalizing on what the community has and what it has to offer residents and businesses. The current assessment of city government by the public is fairly negative. Consumer and commuter surveys suggest dissatisfaction with the status of some current retail opportunities. This survey data, further discussed in Section 6, offers good insights into consumer interests and demand for existing and potential businesses.

Retail Opportunities

During a thorough objective and subjective consideration of retail business opportunities for New Holstein, it was determined that opportunities exist for these types of businesses:

- Motorcycle, boat, motor vehicle
- Department and/or variety store
- Outdoor power equipment
- Fine apparel store for men and women
- Shoe store
- Hobby, toy, or game specialty store that would draw consumers from outside the trade area

- Sewing or needlework specialty store that would draw consumers from outside the trade area
- Arts and crafts specialty store that would draw consumers from outside the trade area
- Office supply/computer repair
- Sporting goods

Service Business Opportunities
Based on subjective and objective analysis, it appears there are opportunities for two potential types of service businesses:
- Theater
- Combination of a coffee shop, book shop, and/or ice cream parlor

Food/Restaurant and Lodging Opportunities
Based on an analysis of existing restaurants and consumer demand, there appears to be potential opportunities for a fast food and/or family style restaurant. Finally, there is potential opportunity for development of a small hotel or motel.

Niche Strategies for Downtowns

A *niche* is a specialization that allows business districts to gain dominance in certain business categories. As a result, niche strategies can help a community's retail and service businesses become more competitive.

Successful communities often have two or three successful niches. These communities also benefit from an expanded trade area as their specialization often draws customers from more distant communities. Once a niche is established, other businesses are often attracted to the community as they are interested in selling to the same targeted consumer segments.

The New Holstein study committee reviewed the data in prior sections of this report to develop niche strategies for the community. These strategies were based on the research contained in this report as well as the wealth of local knowledge offered by study committee members. Possible niche strategies that the committee has identified are presented below.

Niche Consumer Segments

The following are some of the possible niche consumer segments that could be served by New Holstein businesses. New Holstein could gain market dominance in the following:

- Local resident market including:
  - Over 65 market
  - High School students
- In-commuter market (especially manufacturing employees)
- Overnight visitors (assuming a hotel is developed)

Niche Product Categories

The following are some of the possible niche product categories that could draw customers (especially from the niche consumer segments above) to New Holstein from throughout the trade area. New Holstein could gain dominance in the following:

- antiques and thrift store items
- dining and food services
- art gallery
- entertainment including motion picture theater

- lodging
- computer and office supplies
- hobbies and sewing
- sporting goods
- power equipment/boats and cycle
- apparel and shoes
- books
- services including repair and storage
- office space for non-manufacturing firms

Business Clustering to Enhance Business Mix

Clustering is the geographic grouping of a mix of businesses that enable each of them to benefit from each other's sales, customers and markets. It is a technique long used by shopping centers.

For business clustering to be successful, an appropriate business mix is essential. Individual businesses must be able to effectively serve the same or overlapping segments of the market. Furthermore, clusters must be physically located so that they are compact and not interrupted by incompatible space uses.

Based on the "niche product categories" identified earlier, a number of geographic clusters were identified by the study group that might be suitable places for businesses expansion and recruitment. These potential clusters are presented below:

Calumet Drive District

- Hospitality and Entertainment (lodging, fast food and/or family restaurant(s)and theater including possible reuse of the Pamida Store).
- Power Equipment Dealers (boats, motorcycles, recreational and lawn/garden equipment) that require space and vehicle parking

Wisconsin Ave, Uptown and Downtown Districts

- Dining/Specialty Food Services (family dining, coffee shops, ice cream and other dining facilities) within renovated buildings in an enhanced pedestrian environment. New eateries would be developed and marketed in tandem with existing restaurants and taverns.
- Specialty Retail that complements and/or is contained within the dining and specialty food services described above. This retail would help the district become a destination with a mix of interesting businesses (books, antiques, art gallery, specialty apparel, hobby/toy/game, sewing, etc.)

Milwaukee Drive District

- Professional offices (including health care offices), possibly within the former Piggly Wiggly store.
- Neighborhood business service center with a variety of tenants (computers, office supply, coffee shop, etc.), possibly within the former Piggly Wiggly store.
- Non-manufacturing businesses (such as telemarketing).

Business Retention, Expansion and Recruitment Strategies

The following is an outline of business retention, expansion and recruitment strategies that can be used in conjunction with niche and clustering strategies. These strategies were drawn from the National Main Street Program's Fill-in-the-Blank Business Recruitment workbook and suggestions provide by the New Holstein study committee.

To implement these strategies, the New Holstein study group recommends the formation of a business retention, expansion and recruitment committee. They recommend appointment of an individual to be a promoter and to follow up on requests and issues. This person would work on developing a vision for the business community that will lead to an improved attitude and image.

Existing Businesses

- Set up a retention program to provide encouragement, information and tools to help local businesses become more profitable. A team can be organized to identify and prioritize local business needs and resources for help.
- Assess local business problems and operating methods. Evaluate store presentation, merchandising, selection, prices, service and merchant attitudes.
- Improve existing business operations through education and counseling programs. Work with business operators to help them understand the content of this market analysis and how it can help in their own business. Areas of assistance can include:
  - Repositioning a business in the marketplace
  - Helping businesses expand
  - Helping businesses in financial trouble
  - Keeping a business in town when the owner wants to sell or retire.

New Businesses

- Develop an effective business recruitment package that builds off of this market analysis. It should provide information on the economic, social, governmental and physical conditions of the commercial districts. The packet should contain:
  - Maps of the trade area and downtown
  - Demographic and market data
  - Market strengths and trends
  - Retail mix in the business district
  - Revitalization program information
  - Business incentives and assistance (including development of ready-to-build sites)
  - Amenities and special features
  - Building profiles (including inventory of existing available space)
  - Personal contacts
- Develop a qualified list of potential prospects based on this market analysis. Consider chains, successful businesses from neighboring communities, developing local entrepreneurship, expansion of "cottage businesses" in the community, converting managers to owners, and expansion of existing businesses. Consider:
  - Develop a "hit" list of targeted businesses and conduct reconnaissance visits
  - Work with SBDC, other business counselors, and high school entrepreneurship programs
- Make a sales visit to qualified prospects and convince them to visit New Holstein. Discuss why New Holstein is interested in their business, why it needs their business, why the business would be profitable, and incentives to make it happen.
- Have the prospect visit New Holstein and use this opportunity to persuade the business owner to invest.
- Welcome the new business to town and serve as a liaison for the owner in dealings related to the investment.

Source: Fill-in-the-Blank Business Recruitment, National Main Street Program, 2000
Supplemented with ideas from the New Holstein Study Committee.