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*Assessment Presentation*

Rutherford County,  
North Carolina

Presented by:  
Tripp Muldrow, AICP

**ARNETT MULDROW**   
& ASSOCIATES

June 17, 2008

# Purpose of the Study

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- *Understand where Rutherford County shoppers are coming from.*
- *Provide independent businesses in Rutherford County the kind of data that national retailers have access to.*
- *Develop a strategy to retain dollars in Rutherford County so it isn't spent elsewhere.*
- *Determine gaps in retail trade that might be retained by existing or new businesses*

# Today's Presentation

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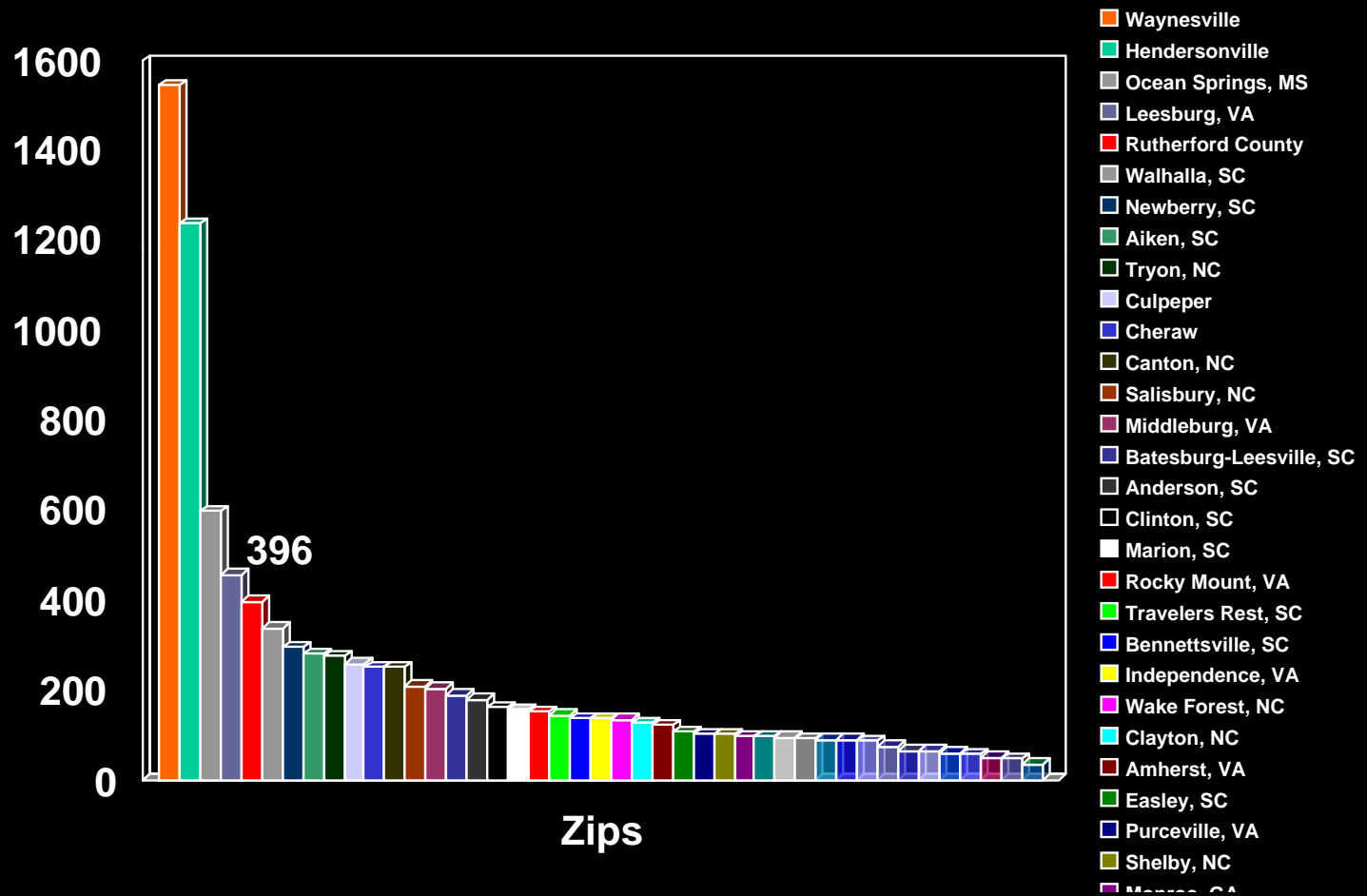
- *Zip code survey results*
- *Market definition*
- *Market penetration*
- *Retail leakage*
- *Branding and marketing Rutherford County - a discussion.*

# Market Analysis - Zip Code Survey

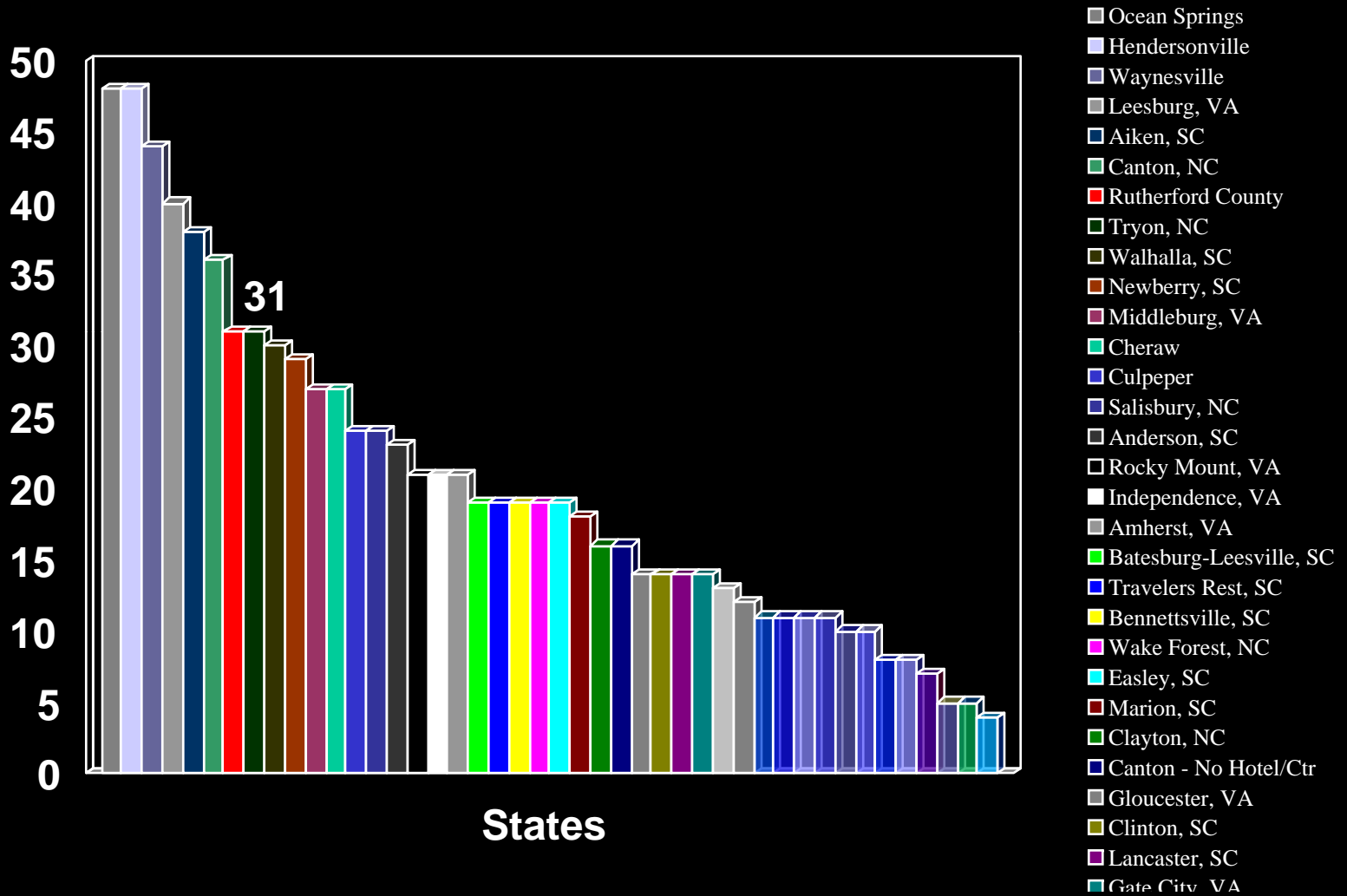
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- *36 Businesses tallied plus Kidsenses Museum and Bennett's Classics*
- *4870 Recorded Visits (4167)*
- *396 Unique Zip Codes (382)*
- *31 Unique States including DC*
- *4 Foreign Countries*

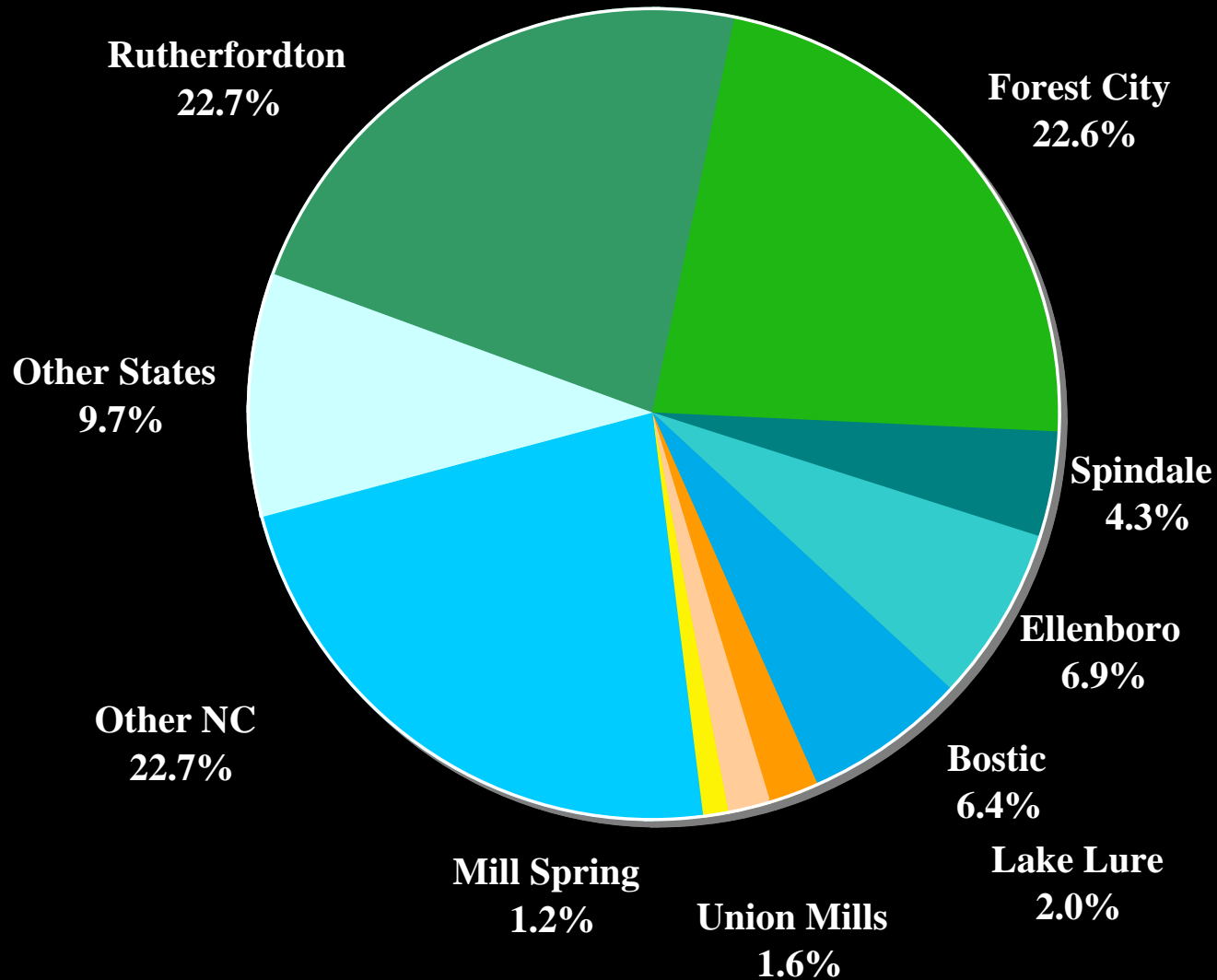
# Zip Comparisons



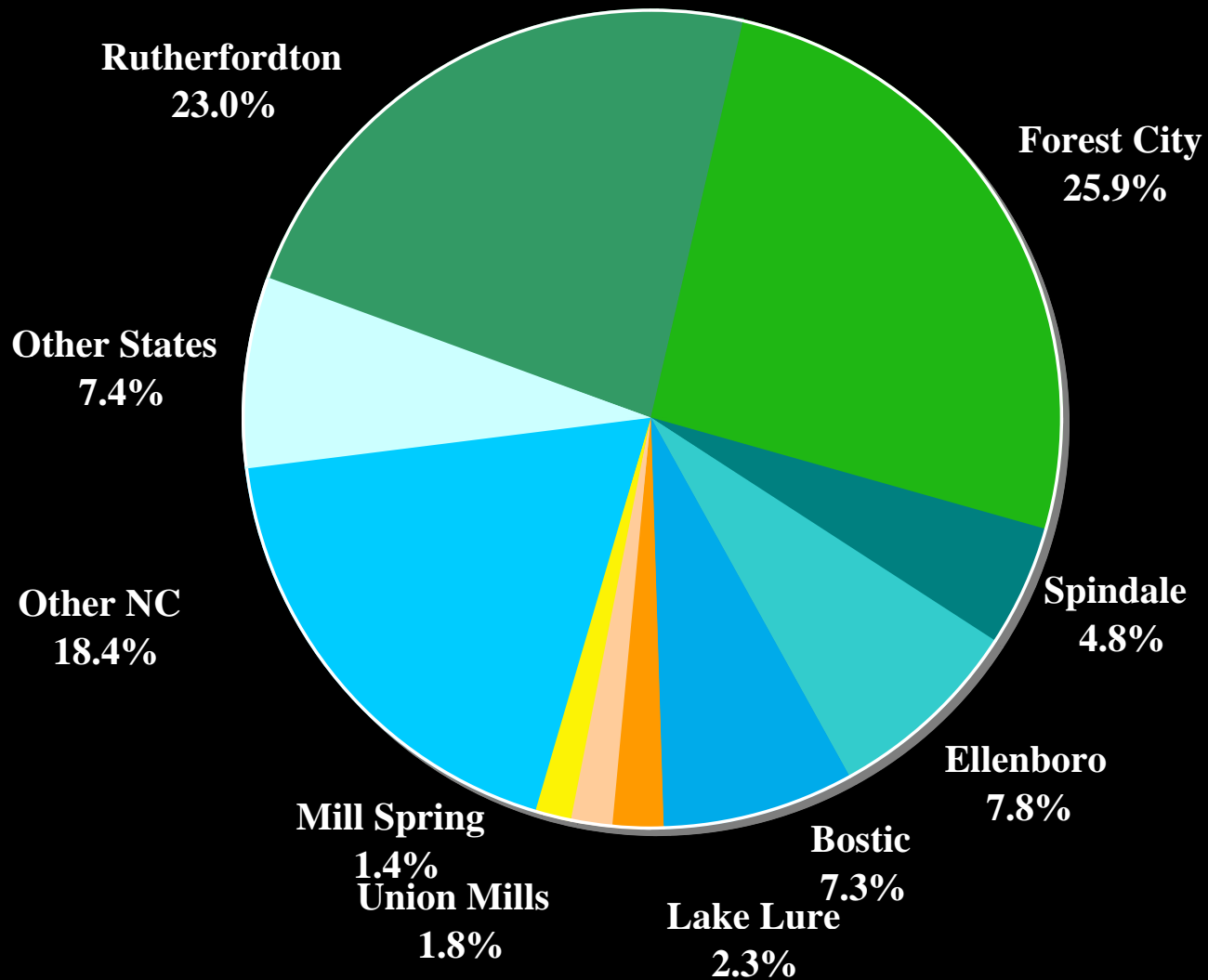
# State Comparisons



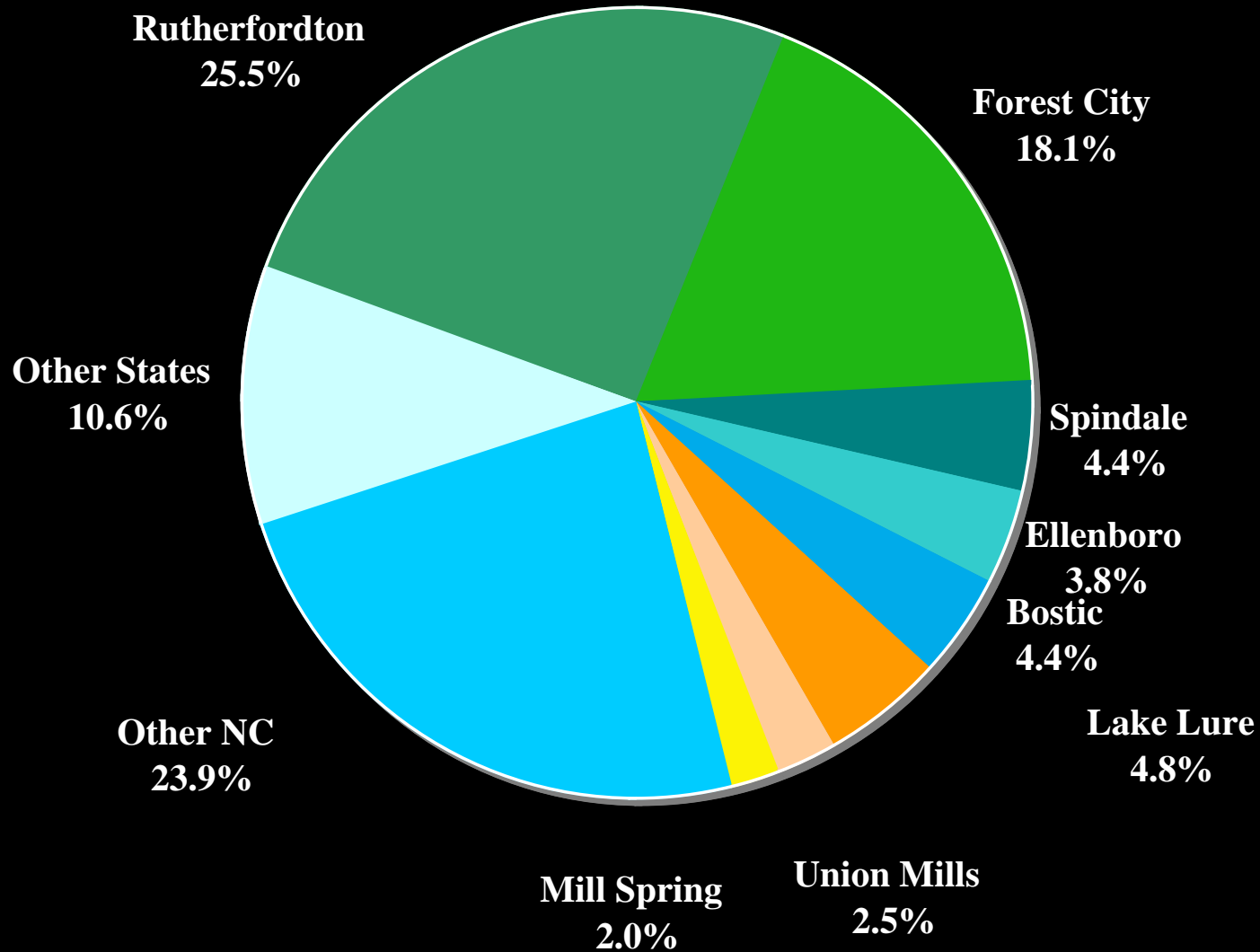
# Where are they from?



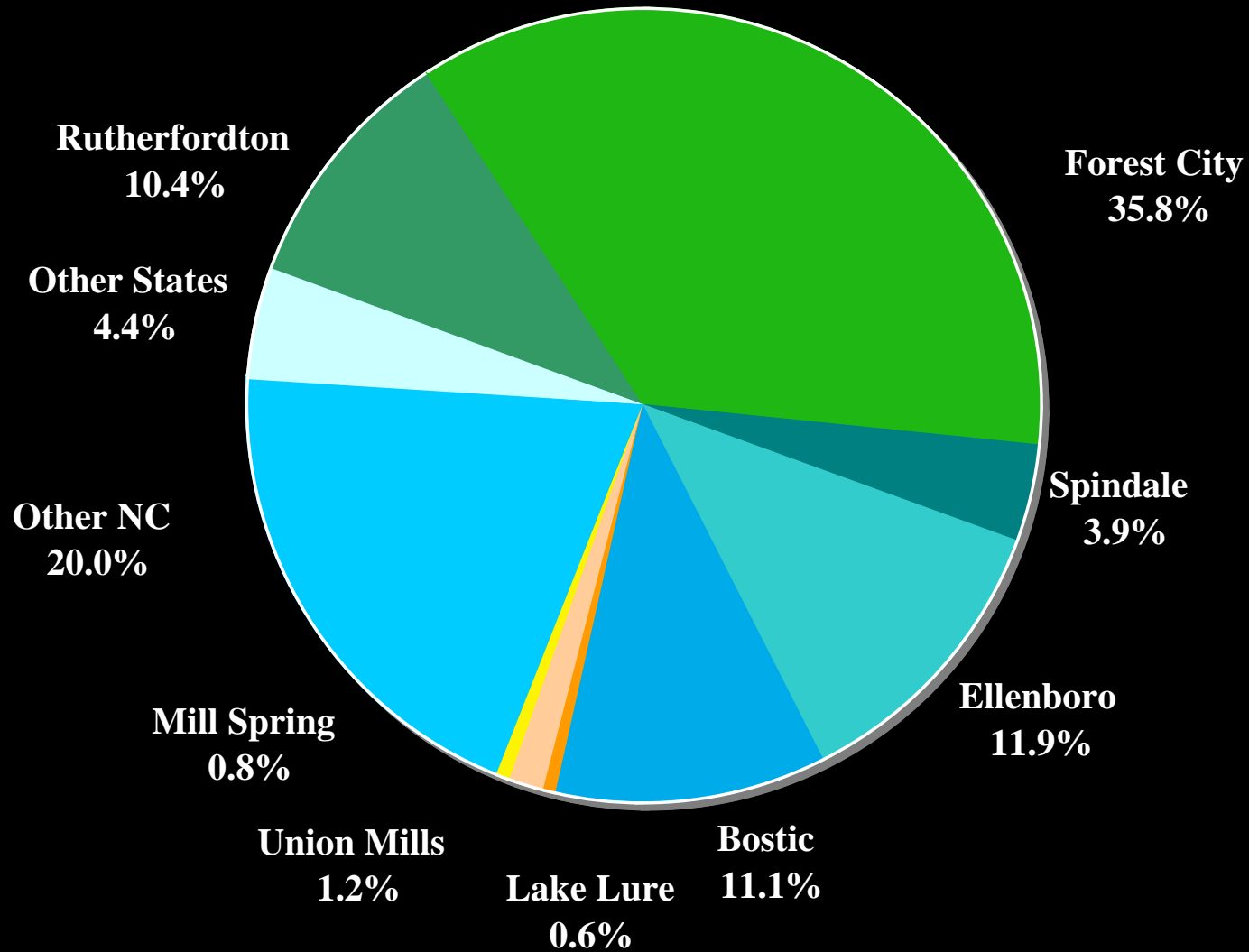
# Where are they from? Without Kidsenses



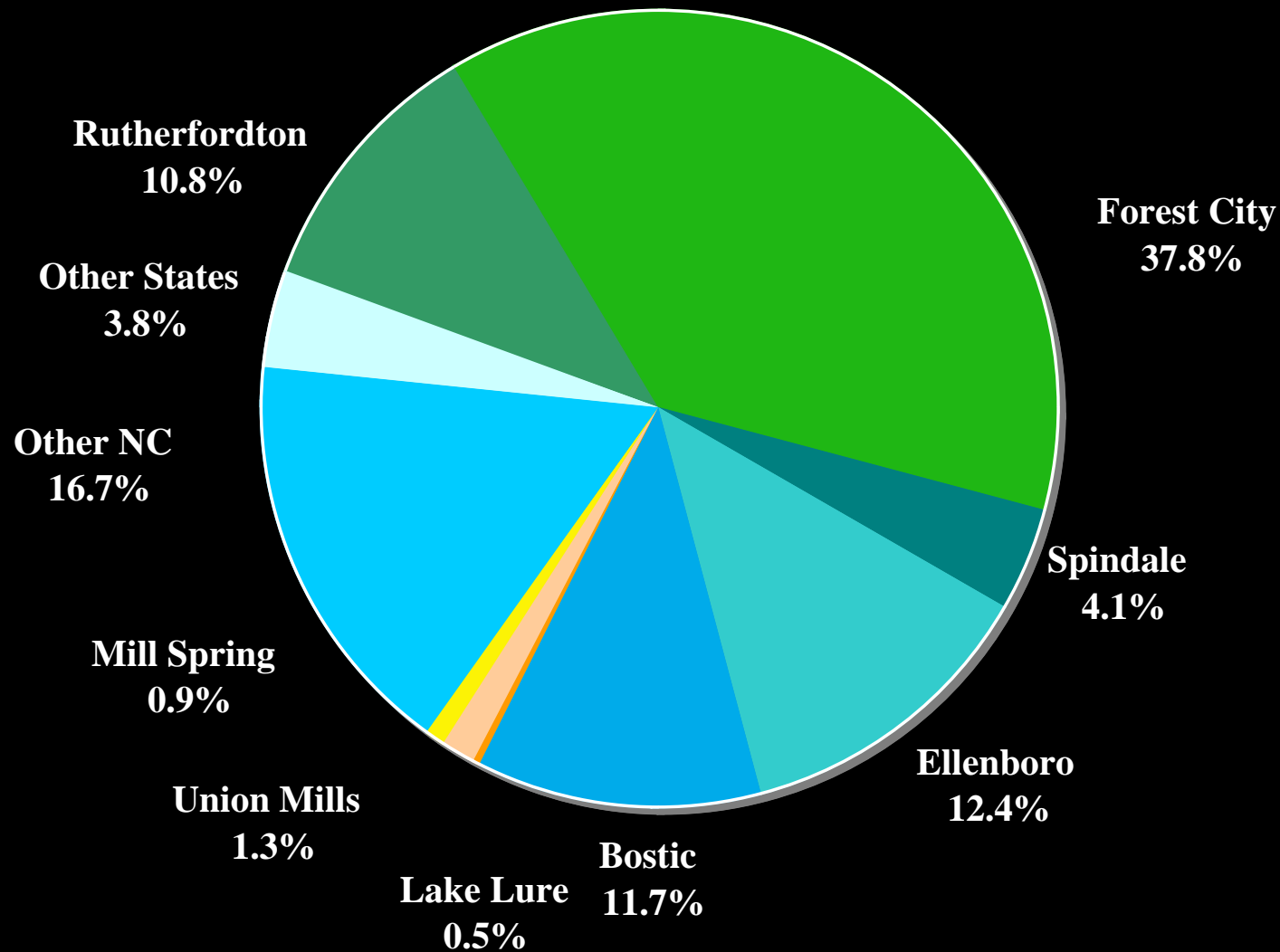
# Downtown Rutherfordton



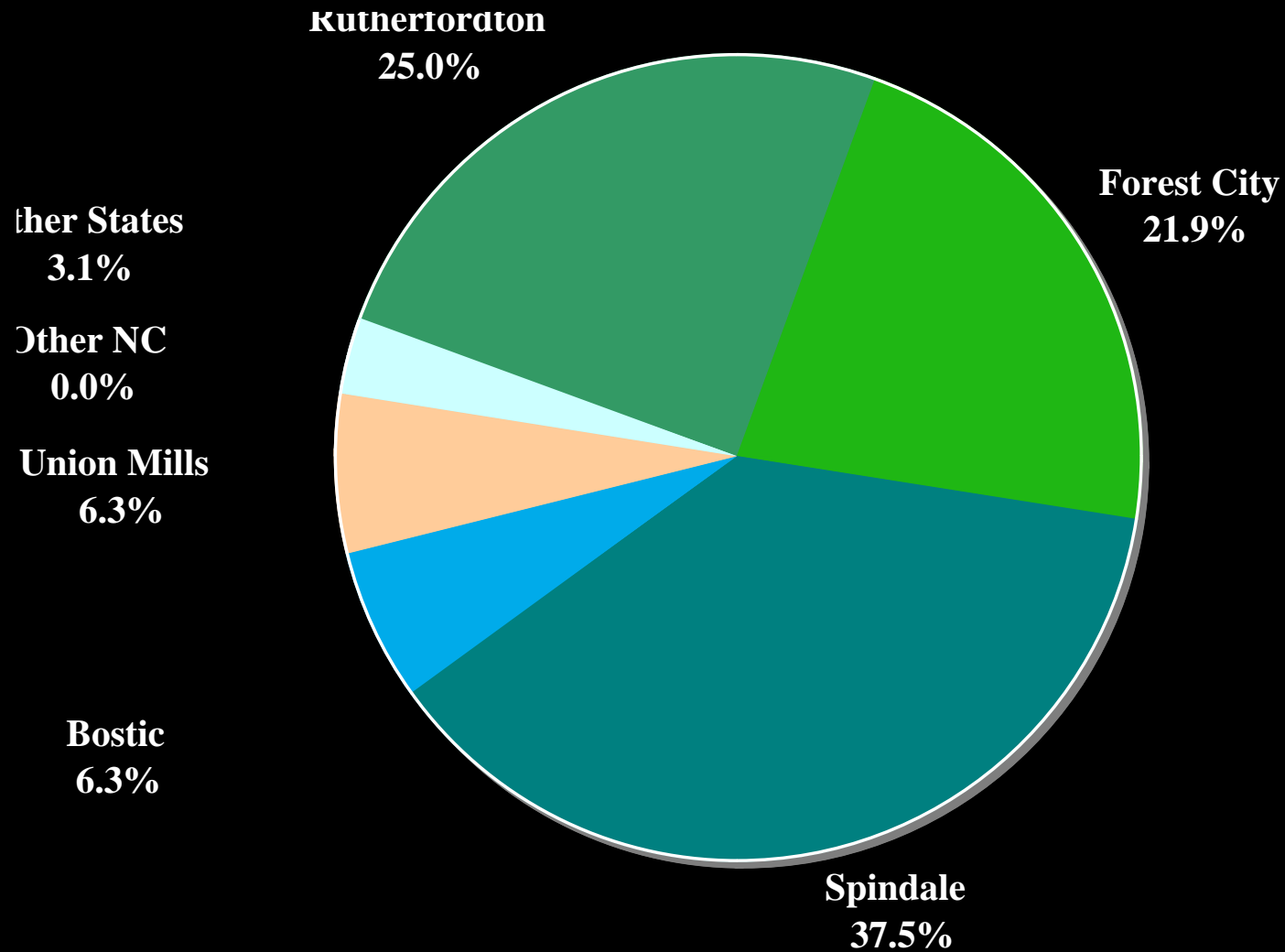
# Downtown Forest City



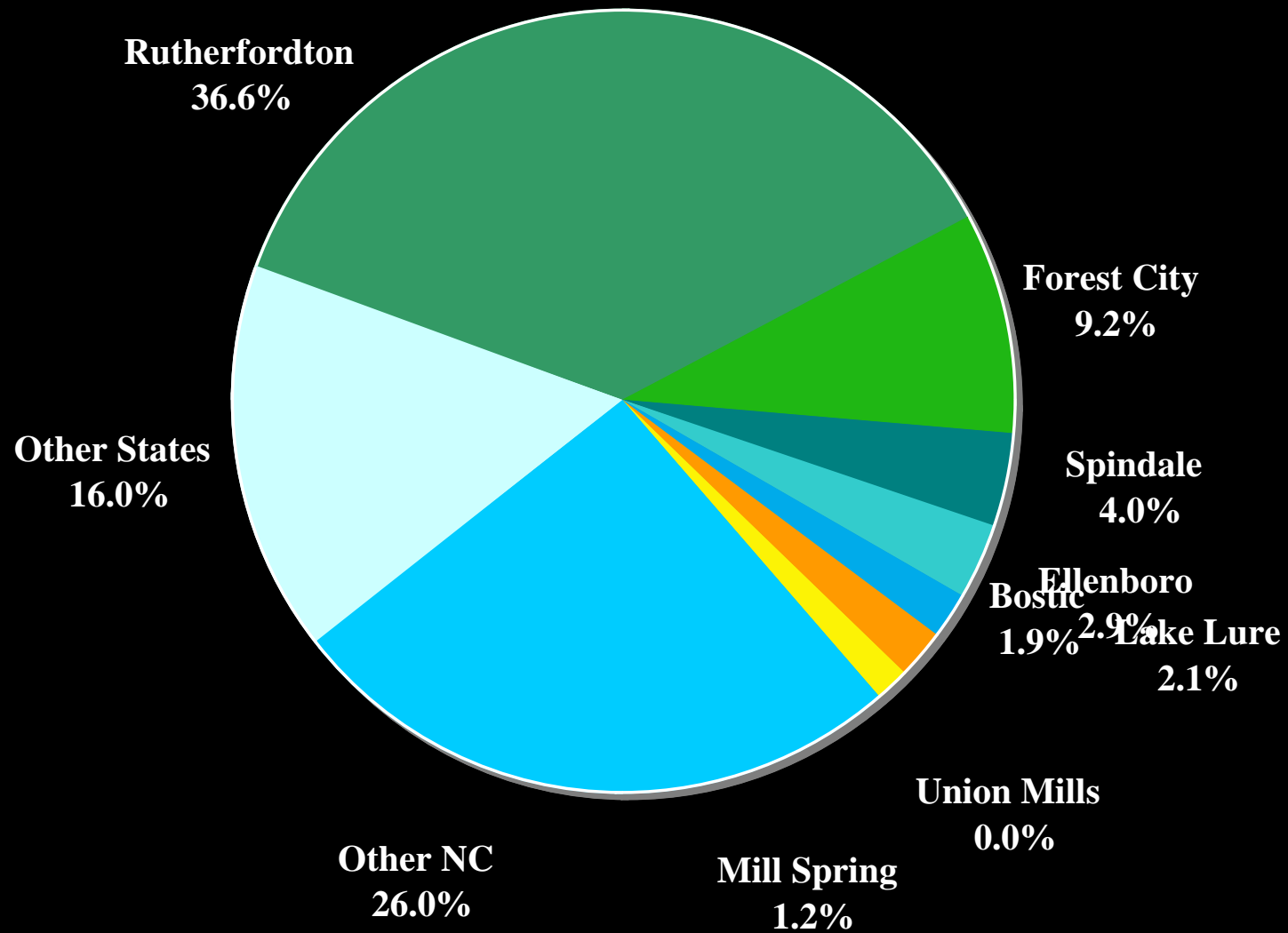
# Downtown Forest City (Without Bennett's)



# Downtown Spindale



# Bypass/Other



# The Trade Area Definition

Total with Kidsenses				
Zip	Area	Population	Visits	Visits/1000 Pop
28139	Rutherfordton	18,395	<b>1103</b>	59.96
28018	Bostic	5,287	<b>311</b>	58.82
28160	Spindale	3,480	<b>204</b>	58.62
28043	Forest City	20,442	<b>1094</b>	53.52
28040	Ellenboro	7,326	<b>337</b>	46.00
28746	Lake Lure	2,606	<b>97</b>	37.22
28167	Union Mills	2,933	<b>78</b>	26.59
28756	Mill Spring	4,009	<b>58</b>	14.47
28114	Mooresboro	7,447	<b>82</b>	11.01
28722	Columbus	7,913	<b>44</b>	5.56
28782	Tryon	5,099	<b>20</b>	3.92
28752	Marion	29,894	<b>64</b>	2.14
28150	Shelby	28,848	<b>61</b>	2.11
28761	Nebo	7,919	<b>16</b>	2.02
28152	Shelby	24,850	<b>40</b>	1.61
29323	Chesnee	14,204	<b>12</b>	0.84
28739	Hendersonville	20,405	<b>14</b>	0.69
28791	Hendersonville	13,375	<b>9</b>	0.67
28655	Morganton	57,487	<b>23</b>	0.40
Charlotte All		627,171	<b>76</b>	0.12
Asheville All		111,212	<b>32</b>	0.29
Spartanburg All		108,321	<b>14</b>	0.13

The zip codes below reflect PO Boxes and do not reflect a specific geographic area. The numbers could not be used to determine trade areas, however it should be noted that there was significant activity from this area.

28019	Caroleen	<b>18</b>
28076	Henrietta	<b>24</b>

# The Trade Area Definition w/o Kidsenses

Total without Kidsenses				
Zip	Area	Population	Visits	Visits/1000 Pop
28018	Bostic	5,287	<b>305</b>	57.69
28160	Spindale	3,480	<b>199</b>	57.18
28043	Forest City	20,442	<b>1073</b>	52.49
<b>28139</b>	<b>Rutherfordton</b>	<b>18,395</b>	<b>955</b>	<b>51.92</b>
28040	Ellenboro	7,326	<b>324</b>	44.23
28746	Lake Lure	2,606	<b>94</b>	36.07
28167	Union Mills	2,933	<b>74</b>	25.23
28756	Mill Spring	4,009	<b>58</b>	14.47
28114	Mooreboro	7,447	<b>73</b>	9.80
28722	Columbus	7,913	<b>37</b>	4.68
28782	Tryon	5,099	<b>20</b>	3.92
28761	Nebo	7,919	<b>14</b>	1.77
28150	Shelby	28,848	<b>48</b>	1.66
28752	Marion	29,894	<b>32</b>	1.07
28152	Shelby	24,850	<b>24</b>	0.97
29323	Chesnee	14,204	<b>12</b>	0.84
28739	Hendersonville	20,405	<b>11</b>	0.54
28791	Hendersonville	13,375	<b>6</b>	0.45
28655	Morganton	57,487	<b>16</b>	0.28
Charlotte	All	627,171	<b>76</b>	0.12
Asheville	All	111,212	<b>14</b>	0.13
Spartanburg	All	108,321	<b>14</b>	0.13

The zip codes below reflect PO Boxes and do not reflect a specific geographic/ the numbers could not be used to determine trade areas, however it should be noted that there was significant activity from this area.

28019	Caroleen	<b>16</b>
28076	Henrietta	<b>24</b>

# The Trade Area Definition Rutherfordton

Rutherfordton		Population	Visits	Visits/1000 Pop
Zip	Area			
28139	Rutherfordton	18,395	<b>615</b>	33.43
28160	Spindale	3,480	<b>67</b>	19.25
28746	Lake Lure	2,606	<b>35</b>	13.43
28167	Union Mills	2,933	<b>24</b>	8.18
28043	Forest City	20,442	<b>155</b>	7.58
28040	Ellenboro	7,326	<b>49</b>	6.69
28018	Bostic	5,287	<b>32</b>	6.05
28777	Spruce Pine	9,794	<b>57</b>	5.82
29341	Gaffney	18,106	<b>101</b>	5.58
28612	Connelly Springs	13,626	<b>69</b>	5.06
28756	Mill Spring	4,009	<b>20</b>	4.99
28114	Mooreboro	7,447	<b>19</b>	2.55
29316	Boiling Springs	19,152	<b>43</b>	2.25
28722	Columbus	7,913	<b>14</b>	1.77
28782	Tryon	5,099	<b>6</b>	1.18
28752	Marion	29,894	<b>37</b>	1.24
28152	Shelby	24,850	<b>23</b>	0.93
28150	Shelby	28,848	<b>18</b>	0.62
Asheville All		111,212	<b>24</b>	0.22
Charlotte All		627,171	<b>15</b>	0.02
Spartanburg All		108,321	<b>1</b>	0.01

# The Trade Area Definition Forest City

Forest City				
Zip	Area	Population	Visits	Visits/1000 Pop
28018	Bostic	5,287	<b>231</b>	43.69
28043	Forest City	20,442	<b>748</b>	36.59
28040	Ellenboro	7,326	<b>248</b>	33.85
28160	Spindale	3,480	<b>82</b>	23.56
28139	Rutherfordton	18,395	<b>217</b>	11.80
28167	Union Mill	2,933	<b>26</b>	8.86
28114	Mooreboro	7,447	<b>49</b>	6.58
28746	Lake Lure	2,606	<b>12</b>	4.60
28756	Mill Spring	4,009	<b>17</b>	4.24
28722	Columbus	7,913	<b>17</b>	2.15
28782	Tryon	5,099	<b>7</b>	1.37
28150	Shelby	28,848	<b>32</b>	1.11
28164	Stanley	12,584	<b>12</b>	0.95
28012	Belmont	20,523	<b>12</b>	0.58
28752	Marion	29,894	<b>14</b>	0.47
28152	Shelby	24,850	<b>8</b>	0.32
28056	Gastonia	32,058	<b>12</b>	0.37
Charlotte	All	627,171	<b>42</b>	0.07
Asheville	All	111,212	<b>5</b>	0.04
Spartanburg	All	108,321	<b>1</b>	0.01

# The Trade Area Definition By-Pass/Misc.

By-pass & Misc.				
Zip	Area	Population	Visits	Visits/1000 Pop
28746	Lake Lure	2,606	<b>50</b>	19.19
28139	Rutherfordton	18,395	<b>267</b>	14.51
28160	Spindale	3,480	<b>46</b>	13.22
28043	Forest City	20,442	<b>189</b>	9.25
28018	Bostic	5,287	<b>46</b>	8.70
28167	Union Mill	2,933	<b>26</b>	8.86
28040	Ellenboro	7,326	<b>40</b>	5.46
28756	Mill Spring	4,009	<b>21</b>	5.24
28114	Mooresboro	7,447	<b>14</b>	1.88
28722	Columbus	7,913	<b>13</b>	1.64
28782	Tryon	5,099	<b>7</b>	1.37
28752	Marion	29,894	<b>13</b>	0.43
28150	Shelby	28,848	<b>11</b>	0.38
28761	Nebo	7,919	<b>7</b>	0.88
28152	Shelby	24,850	<b>9</b>	0.36
28739	Hendersonville	20,405	<b>9</b>	0.44
28655	Morganton	57,487	<b>10</b>	0.17
Charlotte All		627,171	<b>27</b>	0.04
Asheville All		111,212	<b>3</b>	0.03
Spartanburg All		108,321	<b>10</b>	0.09

# Some Preliminary Observations

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- *The trade patterns for Rutherford County are highly dependent on local traffic.*
- *There is no evident crosstown browsing.*
- *“Visitor” traffic does play a role for several businesses and several are serving as area draws (SB, Tanner, Kidsenses)*
- *Locals ARE the bread and butter for most businesses.*

# A Glance at the Trade Areas

County	<i>Percent Growth</i>			<i>Income</i>	
	1990-2000	2000-2007	2008-2013	2008 Median HH	Per cap
<b>US</b>	13.15%	8.07%	4.94%	\$50,170	\$25,933
<b>NC</b>	21.43%	12.72%	7.44%	\$45,045	\$23,672
<b>PTA</b>	10.35%	1.33%	0.67%	\$34,805	\$18,709
<b>STA</b>	22.70%	6.61%	4.76%	\$39,036	\$11,593
<b>Rutherford Co.</b>	10.62%	1.95%	1.09%	\$34,619	\$18,568
Rutherfordton 28139	25.16%	6.18%	3.01%	\$39,855	\$20,084
Bostic 28018	13.04%	6.27%	1.89%	\$34,297	\$17,524
Spindale 28160	-5.64%	-5.00%	-2.56%	\$25,519	\$14,243
Forest City 28043	0.33%	-2.64%	-1.58%	\$32,463	\$18,361
Ellenboro 28040	12.76%	-2.46%	-0.31%	\$35,702	\$18,003
Lake Lure 28746	32.47%	12.67%	6.41%	\$37,627	\$22,078
Union Mills 28167	18.49%	13.55%	6.55%	\$33,160	\$16,432
<b>Polk Co.</b>	26.74%	6.06%	3.46%	\$41,129	\$22,755
Mill Spring 28756	36.26%	2.48%	2.12%	\$38,947	\$18,967
Columbus 28722	36.51%	15.70%	7.67%	\$43,592	\$24,125
Tryon 28782	12.58%	-2.43%	-0.12%	\$40,275	\$24,378

# Retail Leakage Study

*A study to establish the retail dollars leaving or entering a community from its primary and secondary trade areas.*

# Trade Area Statistics

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- *PTA Store Sales \$549.4 million*
- *PTA Consumers spent \$876.7 million*
- *Rutherford County Primary Trade Area is LEAKING \$327.3 million annually overall each year.*
- *STA Store Sales \$141.1 Million*
- *STA Consumers spend \$453.6 million*
- *Secondary Trade Area is LEAKING sales in the amount of \$312.6 million each year.*
- *Combined the two trade areas are leaking: \$639.9 million annually.*

# Retail Leakage 1 of 3

Opportunity Gap - Retail Stores	PTA			STA		
	(Consumer Expenditures)	(Retail Sales)	Leakage (Inflow)	(Consumer Expenditures)	(Retail Sales)	Leakage (Inflow)
<b>Total Retail Sales Incl Eating and Drinking Places</b>	876,737,563	549,398,101	327,339,462	453,623,706	141,061,684	312,562,022
<b>Motor Vehicle and Parts Dealers-441</b>	182,584,196	98,580,534	84,003,662	93,708,228	10,541,446	83,166,782
Automotive Dealers-4411	158,913,061	84,629,547	74,283,514	81,466,857	2,801,445	78,665,412
Other Motor Vehicle Dealers-4412	9,531,938	2,585,000	6,946,938	4,940,907		4,940,907
Automotive Parts/Accsrs, Tire Stores-4413	14,139,197	11,365,987	2,773,210	7,300,464	7,740,001	(439,537)
<b>Furniture and Home Furnishings Stores-442</b>	21,068,282	11,428,335	9,639,947	11,235,945	1,766,713	9,469,232
Furniture Stores-4421	11,441,416	7,630,045	3,811,371	6,032,077	563,336	5,468,741
Home Furnishing Stores-4422	9,626,866	3,798,290	5,828,576	5,203,868	1,203,377	4,000,491
<b>Electronics and Appliance Stores-443</b>	18,309,828	2,481,404	15,828,424	9,505,985	634,589	8,871,396
Appliances, TVs, Electronics Stores-44311	14,214,261	2,212,406	12,001,855	7,354,875	616,588	6,738,287
Household Appliances Stores-443111	3,387,489	972,996	2,414,493	1,769,730	366,998	1,402,732
Radio, Television, Electronics Stores-443112	10,826,772	1,239,410	9,587,362	5,585,145	249,590	5,335,555
Computer and Software Stores-44312	3,416,800	268,998	3,147,802	1,796,322	18,001	1,778,321
Camera and Photographic Equipment Stores-44313	678,767		678,767	354,788		354,788
<b>Building Material, Garden Equip Stores -444</b>	98,017,756	26,555,959	71,461,797	52,197,701	6,758,603	45,439,098
Building Material and Supply Dealers-4441	89,469,532	22,931,735	66,537,797	47,640,917	5,034,815	42,606,102
Home Centers-44411	33,360,026	11,175,271	22,184,755	17,851,081	1,720,999	16,130,082
Paint and Wallpaper Stores-44412	2,222,348	120,999	2,101,349	1,228,991		1,228,991
Hardware Stores-44413	6,685,411	1,654,314	5,031,097	3,538,650	504,692	3,033,958
Other Building Materials Dealers-44419	47,201,747	9,981,151	37,220,596	25,022,195	2,809,124	22,213,071
Building Materials, Lumberyards-444191	15,634,661	3,403,682	12,230,979	8,392,162	957,947	7,434,215
Lawn, Garden Equipment, Supplies Stores-4442	8,548,224	3,624,224	4,924,000	4,556,784	1,723,788	2,832,996
Outdoor Power Equipment Stores-44421	1,406,813	1,038,008	368,805	758,897	261,000	497,897
Nursery and Garden Centers-44422	7,141,411	2,586,216	4,555,195	3,797,887	1,462,788	2,335,099

# Retail Leakage 2 of 3

<b>Food and Beverage Stores-445</b>	107,182,165	73,214,597	33,967,568	54,128,632	35,651,246	18,477,386
Grocery Stores-4451	97,211,781	68,560,599	28,651,182	49,031,516	34,069,099	14,962,417
Supermarkets, Grocery (Ex Conv) Stores-44511	92,228,197	64,931,266	27,296,931	46,552,140	32,348,424	14,203,716
Convenience Stores-44512	4,983,584	3,629,333	1,354,251	2,479,376	1,720,675	758,701
Specialty Food Stores-4452	3,198,051	402,998	2,795,053	1,597,801	450,146	1,147,655
Beer, Wine and Liquor Stores-4453	6,772,333	4,251,000	2,521,333	3,499,315	1,132,001	2,367,314
<b>Health and Personal Care Stores-446</b>	51,080,017	49,321,373	1,758,644	27,216,347	17,136,625	10,079,722
Pharmancies and Drug Stores-44611	44,503,289	47,824,376	(3,321,087)	23,699,614	16,503,627	7,195,987
Cosmetics, Beauty Supplies, Perfume Stores	1,891,989	887,998	1,003,991	1,015,777	184,000	831,777
Optical Goods Stores-44613	1,316,292		1,316,292	703,457		703,457
Other Health and Personal Care Stores-44619	3,368,447	608,999	2,759,448	1,797,499	448,998	1,348,501
<b>Gasoline Stations-447</b>	103,538,570	84,149,981	19,388,589	53,632,828	33,926,098	19,706,730
Gasoline Stations With Conv Stores-44711	77,857,789	62,898,801	14,958,988	40,167,701	28,931,713	11,235,988
Other Gasoline Stations-44719	25,680,781	21,251,180	4,429,601	13,465,127	4,994,385	8,470,742
<b>Clothing and Clothing Accessories Stores-448</b>	32,894,471	14,177,793	18,716,678	16,515,947	2,147,759	14,368,188
Clothing Stores-4481	23,779,301	5,636,795	18,142,506	11,793,514	1,078,575	10,714,939
Men's Clothing Stores-44811	1,556,093	528,000	1,028,093	780,435		780,435
Women's Clothing Stores-44812	5,670,751	4,349,993	1,320,758	2,802,793	44,529	2,758,264
Childrens, Infants Clothing Stores-44813	1,615,290	72,805	1,542,485	755,567	6,049	749,518
Family Clothing Stores-44814	12,884,399		12,884,399	6,422,831	1,027,997	5,394,834
Clothing Accessories Stores-44815	505,496	98,996	406,500	265,546		265,546
Other Clothing Stores-44819	1,547,272	587,001	960,271	766,342		766,342
Shoe Stores-4482	5,001,440	3,534,001	1,467,439	2,405,526	165,187	2,240,339
Jewelry, Luggage, Leather Goods Stores-4483	4,113,730	5,006,997	(893,267)	2,316,907	903,997	1,412,910
Jewelry Stores-44831	3,760,688	5,006,997	(1,246,309)	2,124,451	903,997	1,220,454
Luggage and Leather Goods Stores-44832	353,042		353,042	192,456		192,456

# Retail Leakage 3 of 3

<b>Sporting Goods, Hobby, Book, Music Stores-451</b>	13,668,457	3,637,333	10,031,124	7,077,012	1,140,728	5,936,284
Sporting Goods, Hobby, Musical Inst Stores-4511	10,161,471	2,443,331	7,718,140	5,247,597	913,726	4,333,871
Sporting Goods Stores-45111	5,176,859	1,280,412	3,896,447	2,665,583	584,486	2,081,097
Hobby, Toys and Games Stores-45112	3,325,420	627,993	2,697,427	1,717,293	152,573	1,564,720
Sew/Needlework/Piece Goods Stores-45113	787,162	287,927	499,235	419,999	61,292	358,707
Musical Instrument and Supplies Stores-45114	872,030	246,999	625,031	444,722	115,375	329,347
Book, Periodical and Music Stores-4512	3,506,986	1,194,002	2,312,984	1,829,415	227,002	1,602,413
Book Stores and News Dealers-45121	2,310,818	1,012,002	1,298,816	1,240,425	121,002	1,119,423
Book Stores-451211	2,140,388	1,012,002	1,128,386	1,150,569	121,002	1,029,567
News Dealers and Newsstands-451212	170,430		170,430	89,856		89,856
Prerecorded Tapes, CDs, Record Stores-45122	1,196,168	182,000	1,014,168	588,990	106,000	482,990
<b>General Merchandise Stores-452</b>	100,330,658	76,483,612	23,847,046	51,364,275	10,111,062	41,253,213
Department Stores Excl Leased Depts-4521	44,928,855	11,732,126	33,196,729	23,075,456	261,672	22,813,784
Other General Merchandise Stores-4529	55,401,803	64,751,486	(9,349,683)	28,288,819	9,849,390	18,439,429
Warehouse Clubs and Super Stores-45291	47,955,953	52,223,472	(4,267,519)	24,387,072	9,463,384	14,923,688
All Other General Merchandise Stores-45299	7,445,850	12,528,014	(5,082,164)	3,901,747	386,006	3,515,741
<b>Miscellaneous Store Retailers-453</b>	22,890,240	16,506,177	6,384,063	12,115,384	6,672,223	5,443,161
Florists-4531	1,599,232	1,094,635	504,597	866,307	755,864	110,443
Office Supplies, Stationery, Gift Stores-4532	8,641,045	6,992,001	1,649,044	4,600,900	549,866	4,051,034
Office Supplies and Stationery Stores-45321	4,930,049	4,842,999	87,050	2,624,327		2,624,327
Gift, Novelty and Souvenir Stores-45322	3,710,996	2,149,002	1,561,994	1,976,573	549,866	1,426,707
Used Merchandise Stores-4533	1,711,403	416,740	1,294,663	891,942	1,120,973	(229,031)
Other Miscellaneous Store Retailers-4539	10,938,560	8,002,801	2,935,759	5,756,235	4,245,520	1,510,715
<b>Non-Store Retailers-454</b>	48,903,443	14,060,578	34,842,865	25,567,487	2,905,073	22,662,414
Electronic Shopping, Mail-Order Houses-4541	34,323,513	5,744,574	28,578,939	17,998,381	2,475,126	15,523,255
Vending Machine Operators-4542	2,369,452	6,506,001	(4,136,549)	1,186,961	429,947	757,014
Direct Selling Establishments-4543	12,210,478	1,810,003	10,400,475	6,382,145		6,382,145
<b>Foodservice and Drinking Places-722</b>	76,269,480	78,800,425	(2,530,945)	39,357,935	11,669,519	27,688,416
Full-Service Restaurants-7221	34,609,442	34,079,999	529,443	17,902,580	6,327,997	11,574,583
Limited-Service Eating Places-7222	32,110,647	38,503,427	(6,392,780)	16,468,670	4,821,523	11,647,147
Special Foodservices-7223	6,208,552	3,201,002	3,007,550	3,190,338	519,999	2,670,339
Drinking Places -Alcoholic Beverages-7224	3,340,839	3,015,997	324,842	1,796,347		1,796,347

# Preliminary Observations

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- *Tremendous opportunities to capture more sales into the market.*
- *Firm lines of demarcation between Rutherford and Cleveland/McDowell seems to be less so between Rutherford/Polk.*
- *Demographic trends seem under-reported.*
- *Need to “cross pollinate” each of the localities.*
- *Next steps:*
  - *Branding plan*
  - *Marketing plan*
  - *Recruitment strategy*