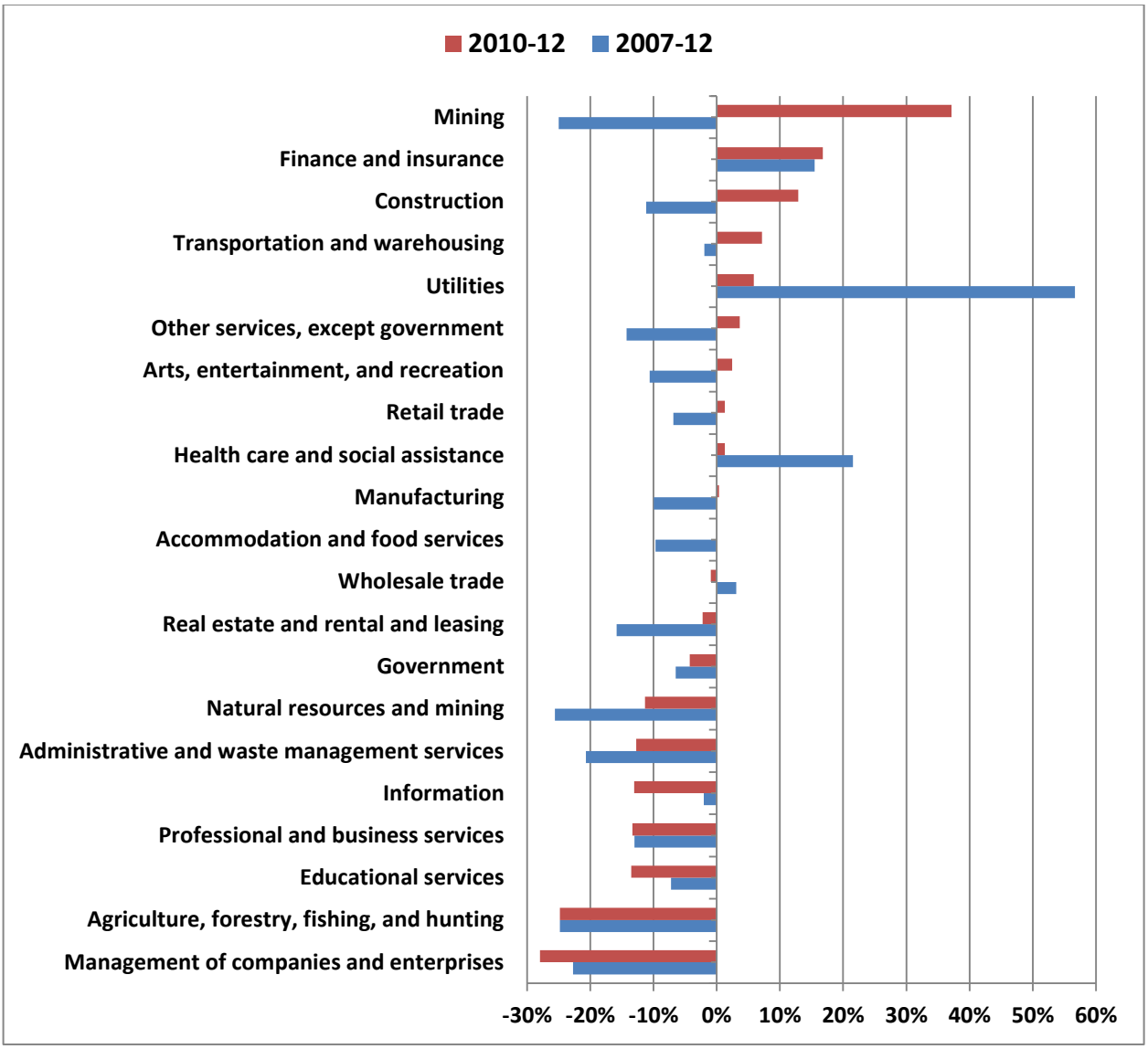
GDP change by sector, Solano County: 2007 and 2010 compared to 2012, 2010 Dollars



*Source: Bureau of Economic Analysis (*www.bea.gov*)*

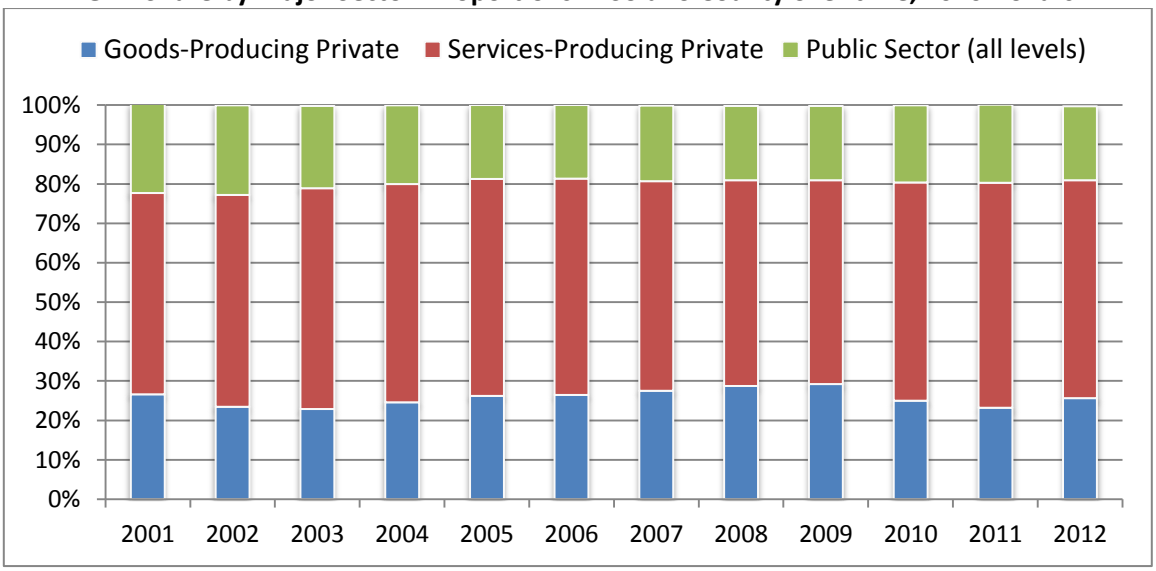
Using 2007 and 2010 as comparison dates, these data suggest that Solano County is still not back to pre-recession levels in terms of producing goods and services. These data are sorted by the largest gains since 2010, which are encouraging. Durable goods, construction, and logistics have all experienced income growth since 2010 as industries. Finance and Insurance and utilities have grown beyond the pre-recession levels. Health Care has grown since 2007, but the growth has slowed down since 2010. Many other services and agriculture have yet to recover production losses from the recession of 2007-10.

TAKEAWAY: In terms of producing goods and services, Solano County has more industries growing since 2010 versus 2007, and these industries are helping Solano continue to emerge from recession.

WHAT IS IMPORTANT: There are still a large number of industries that are below 2007 and 2010 production levels, which means that Solano County still has room to grow.

GDP by Sector (cont.)

GDP Share by Major Sector: Proportions in Solano County over time, 2010 Dollars



*Source: Bureau of Economic Analysis (*www.bea.gov*)*

The shares of GCP in Solano County should change very little year to year, but may change significantly over longer time periods due to industries moving to Solano County or moving away. Other industries grow inside Solano County, which can also shift production proportions. In 2012, Solano's GDP showed more change in goods-producing industries, which increases the proportion for those types of businesses.

Shares of GDP, Solano County, 2005, 2010, 2012, 2010 Dollars

Industry	*2005*	*2010*	*2012*
Agriculture	1.1%	1.2%	1.0%
Non-Farm Private	71.9%	81.2%	68.5%
Utilities	1.4%	1.8%	1.9%
Construction	6.6%	5.1%	5.7%
Durable goods manufacturing	2.4%	2.7%	2.3%
Nondurable goods manufacturing	10.1%	20.4%	15.1%
Wholesale trade	3.7%	4.0%	4.3%
Retail trade	9.2%	7.5%	7.4%
Transportation and warehousing	2.3%	2.4%	2.2%
Information	1.4%	1.5%	1.2%
Finance and insurance	3.3%	3.7%	3.8%
Real estate and rental and leasing	10.6%	8.1%	7.3%
Professional services	2.2%	3.1%	2.7%
Management consulting	1.0%	1.2%	0.9%
Admin and waste manage services	2.7%	2.9%	2.2%
Educational services	0.5%	0.7%	0.6%
Health care and social assistance	7.7%	10.1%	10.8%
Arts, entertainment, and recreation	0.7%	0.6%	0.6%
Hotels/Bars/Restaurants	2.5%	2.4%	2.4%
Other Services	2.9%	2.6%	2.5%
Government	18.4%	20.0%	18.8%

*Source: Bureau of Economic Analysis (*www.bea.gov*)*

Since 2010, manufacturing jobs have fallen in terms of their proportion of Solano's gross county product. Manufacturing is still an important part of Solano County's economy in terms of keeping the local economy diverse. In 2010 and 2011, health care jobs growth drove services growth. It is important to recognize that real GDP in 2005 was 5.2 percent larger than in 2012; the recession reduced the size of Solano County's economy, but continues to grow in 2013.

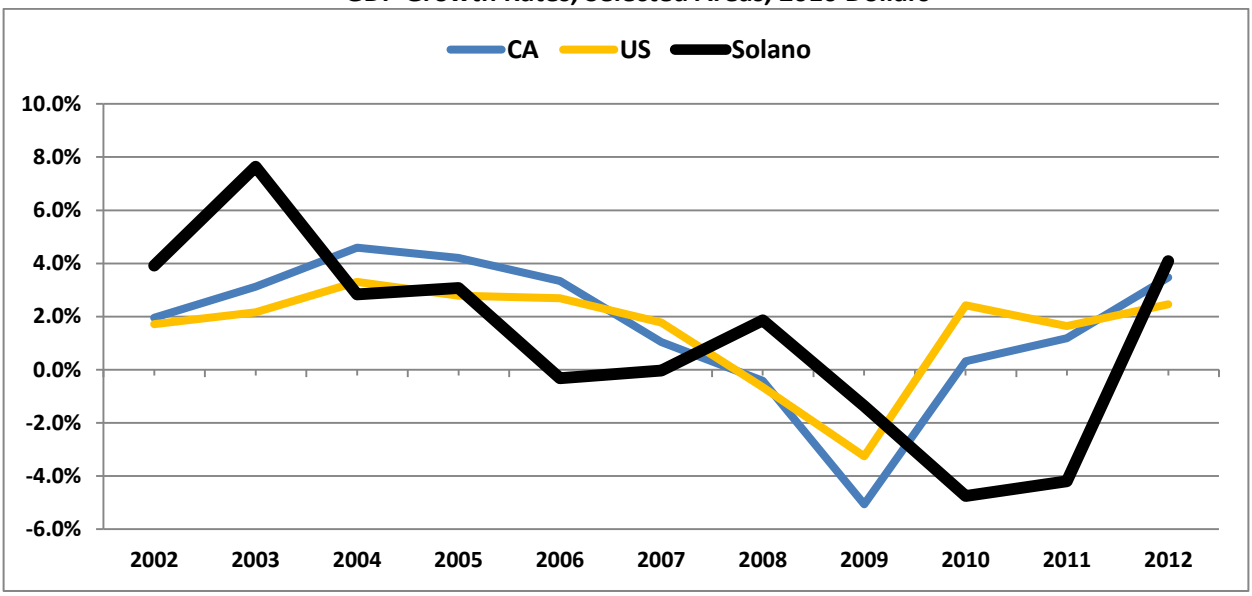
TAKEAWAY: Goods-producing businesses have been less than 30 percent of Solano County's GDP since 2001, but have risen in importance in 2012 due to growth in industries like construction and durable goods manufacturing.

WHAT IS IMPORTANT: The proportions are important in that services and government are predominantly locally-serving. From an economic development standpoint, more goods-producing industries suggest more export income for Solano County, which accelerates local GDP growth.

GDP Growth Comparison, 2002-2012: Solano County, California and the United States overall

Comparing the growth rate of GDP or its equivalent in Solano County to the California and United States growth rates, Solano County has a strong year in 2012. The data above suggest that Solano's growth will outpace the state and nation again in 2013. The chart clearly shows the effects of the recession on all three areas and also the recent growth for Solano County which started after California's and the national recovery began.

GDP Growth Rates, Selected Areas, 2010 Dollars



*Source: Bureau of Economic Analysis (*www.bea.gov*)*

TAKEAWAY: Solano County experienced more GDP growth in 2012 than the nation and state economies overall, where it had lagged in growth since 2009.

WHAT IS IMPORTANT: Solano County's growth shows it has emerged from the recession and should remain close to trending with the state and nation in 2013.