



Regional Economic Profile  
Region 12: North Central  
*January 2013*

*Produced by: the Regional Economics Institute, Colorado State University*



*In partnership with:*



COLORADO  
DEPARTMENT OF  
LABOR AND EMPLOYMENT



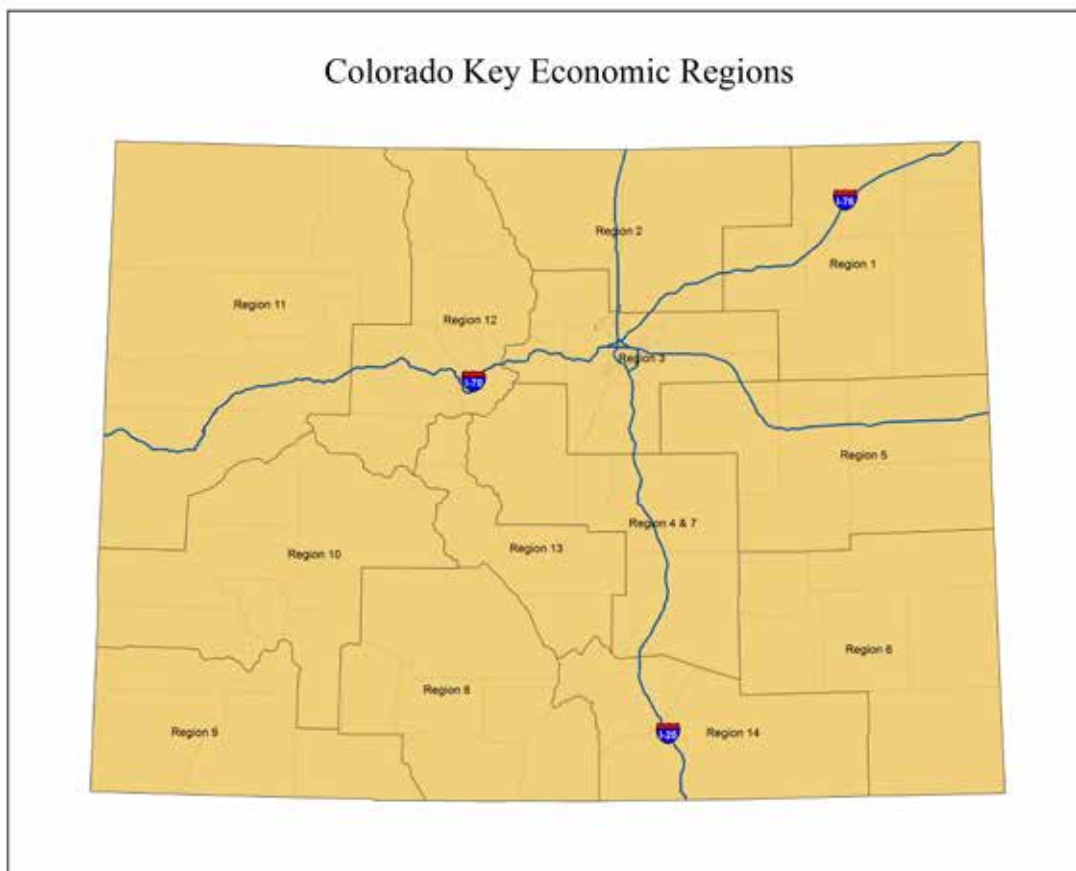
## Sectors Summit: Region 12 and Colorado Profile

Produced by the Regional Economics Institute, Colorado State University

In partnership with the Colorado Office of Economic Development & International Trade and the Colorado Department of Labor and Employment's Labor Market Information Office

On behalf of the Colorado Workforce Development Council

The Colorado Sectors Summit seeks to deepen existing and emerging regional sector partnerships by expanding collaborative efforts between education, workforce development, economic development and industry. To help facilitate this effort, the Colorado Workforce Development Council has partnered with Colorado State University's Regional Economics Institute, the Colorado Office of Economic Development & International Trade and the Colorado Department of Labor and Employment's Labor Market Information Office. Our starting point is that regional economic and workforce development strategies should be based on data and careful analysis of regional economic conditions and opportunities. This document provides an overview of trends and conditions of the 14 Key Industries in the state and its 14 regions.



Through its region-based economic development planning efforts, OEDIT has identified 14 Key Industry Networks (KINs). KINs are the sectors that are expected to drive Colorado's future economic growth. Private-public efforts to strengthen the KINs are designed to enhance the

competitive position of Colorado's businesses and organizations and better the lives of Colorado residents by supporting and creating well-paying jobs. The 14 key industry networks are listed below (the abbreviated names listed parenthetically are used in the table and charts):

- Advanced Manufacturing (Manufacturing)
- Aerospace
- Bioscience
- Creative Industries (Creative)
- Defense & Homeland Security (Defense)
- Electronics
- Energy & Natural Resources (Energy)
- Financial Services (Finance)
- Food & Agriculture (Food)
- Health & Wellness (Health)
- Information & Technology (Information)
- Infrastructure Engineering (Infrastructure)
- Tourism & Outdoor Recreation (Tourism)
- Transportation & Logistics (Transportation)

See [www.advancecolorado.com/key-industries](http://www.advancecolorado.com/key-industries) for more information.

### *Understanding the data and analysis*

#### Data

The employment, wage and establishment data used in this report are sourced from Economic Modeling Specialists, Inc (EMSI). Their information is benchmarked to Quarterly Census of Employment and Wage (QCEW) data collected and organized by Colorado's Labor Market Information (LMI) section of CDLE.

To take advantage of the most recent QCEW data available (the second quarter of 2012), we have adjusted the "years" of information reported. For every year reported, the data listed is an average of information from the first half of that year and the second half of the previous year. As an example, the annual "2012" information reported actually uses third and fourth quarter data from 2011 and first and second quarter data from 2012.

Some of our analysis reports changes in the level of employment between 2012 and a reference year (2010 or 2002). We also convert these changes to average annual growth rates, which we refer to as "growth rates", using the formula  $\text{annual growth rate} = \frac{1}{T} \ln \left( \frac{\text{Emp}(T)}{\text{Emp}(0)} \right)$ , where  $\text{Emp}(T)$  is employment in 2012,  $\text{Emp}(0)$  is the employment in the base year, and  $T$  is the number of years between the base year and 2012.

#### NAICS

The North American Industry Classification System, or NAICS, is a basic framework for categorizing establishments and is the basis for regional economic analysis. This system allows us to arrange the economy's multitude of business types into discrete industry classifications. These classifications are numerical and hierarchical, with digits on the left defining major sectors

and digits to their right specifying subdivisions. Today, much of the readily available economic data related to employment is based on such classifications.

#### Location Quotients (LQs)

Location quotients help identify the sectors that are driving a region's economic growth. Often times, location quotients reinforce what you already know about your local economy, but just as often, it uncovers things you did not know, or, at least changes your perceptions. The real strength of the tool is that it is a simple, yet effective educational resource.

In practice, location quotients are often used to identify nationally competitive industries. These sectors typically—but not always—export goods and services, either nationally, internationally, or both. An exporting industry is one where the industry not only meets the local demand for its products, but also produces enough so as to sell outside of the region. An importing industry is one where local production levels are insufficient to meet local demand.

When interpreting the data, a location quotient greater than 1.0 indicates that the economy is self-sufficient, and may even be exporting the good or service of that particular industry. (As a rule-of-thumb, a location quotient greater than 1.25 almost certainly identifies exporting industries.) On the other hand, a location quotient less than 1.0 suggests that the region tends to import the good or service. (The applicable rule-of-thumb is that a location quotient less than 0.75 indicates an importing industry.)

Simply put, a location quotient identifies how local industries compare to national averages. A LQ of 2.0 indicates that, relative to the nation, a local area has double the employment concentration in a particular industry.

#### *How this Profile is Organized*

The "Region 12 Profile" section contains KIN employment information and corresponding charts specific to Region 12, while the "Colorado Profile" contains the same data and analysis at the state level. Table 1 in both sections reports KIN employment (Emp), changes in employment totals between 2012 and the base year (Level Job Chg), average annual employment growth rates for the relevant time period (Avg Annual Growth), average wages, establishment count (Est), average employment per establishment (Emp/Est), and location quotients (LQ). Positive growth rates are indicated in green and negative rates are shown in red. Wages listed in **bold** are above the regional average.

Any charts prefixed with an "R" report region specific information, while those denoted with a "CO" show statewide data. As an example, Chart R.1 and CO.1 report 2012 key industry network level employment in Region 12 and Colorado, respectively. KIN wages are denoted parenthetically in these charts.

Charts 2 and 3 show level employment changes in the regional and state KINs between 2010-12 and 2002-12, respectively—these charts also have KIN employment growth rates listed in parentheses. Chart 4 details the number of establishments in the regional and state key industries—the average number of workers per establishment is listed parenthetically. Charts R.5 and CO.5 depict location quotients, employment growth rates and the number of

establishments in each KIN for 2010-12, respectively. Chart CO.6 shows the same information for Colorado, but from 2002 through 2012 to provide a longer perspective.

The LQ “bubble chart” shows employment growth and location quotients by the number of establishments in each KIN. The average annual employment growth rate is given on the horizontal-axis, meaning that any KIN to the right of the 0% line has experienced positive employment growth over the time listed, while those to the left have lost jobs. Location quotients are listed on the vertical-axis, with the horizontal line drawn at an LQ of 1.25, meaning that KINs above the horizontal are most likely to be exporting their goods and services. The size of the bubble reflects the number of establishments in the key industry, with larger bubbles meaning more establishments.

The “Economic Activity Hot Spots” section list the 14 KINs and corresponding regional heat maps. These maps show areas of regional economic clustering within key industries across Colorado, denoting spatial business concentrations.

### *Region 12 Profile*

Region 12’s 3,520 establishments employed just over 46,900 workers in 2012 and is comprised of the following counties: Pitkin, Eagle, Summit, Grand and Jackson.

Table R.1: Region 12 Key Indicator Information

KIN	2012 Emp	Level Job Chg 10-12	Avg Annual Growth 10-12	Level Job Chg 02-12	Avg Annual Growth 02-12	2012 Wage	2012 Est	Emp/ Est	2012 LQ	2001 LQ
Tourism	20,968	1,923	4.8%	1,353	0.7%	\$34,283	734	29	7.3	7.4
Health	4,976	246	2.5%	1,532	3.7%	\$56,720	401	12	0.6	0.6
Finance	4,771	312	3.4%	1,820	4.8%	\$59,846	276	17	0.7	0.7
Creative	4,714	-40	-0.4%	-65	-0.1%	\$40,929	577	8	0.7	0.8
Infrastructure	2,817	-285	-4.8%	-1,234	-3.6%	\$48,306	466	6	0.9	1.1
Transportation	2,586	35	0.7%	-48	-0.2%	\$48,165	374	7	0.6	0.8
Food	1,655	22	0.7%	79	0.5%	\$29,249	133	12	0.3	0.4
Energy	1,472	-103	-3.4%	-151	-1.0%	\$59,358	216	7	0.3	0.3
Information	1,264	-16	-0.6%	74	0.6%	\$65,000	192	7	0.3	0.4
Manufacturing	1,134	-83	-3.5%	-88	-0.7%	\$43,824	122	9	0.1	0.1
Defense	313	10	1.5%	41	1.4%	\$27,513	NA	NA	0.3	0.2
Electronics	118	-44	-15.8%	30	2.9%	\$87,899	14	8	0.0	0.1
Aerospace	75	12	8.9%	-7	-0.9%	\$77,293	8	9	0.1	0.1
Bioscience	50	-32	-24.8%	-11	-2.0%	\$65,971	8	6	0.0	0.0
Total/Average	46,911	1,956	2.1%	3,325	0.7%	\$43,397	3,521	13		

\*NA: Because there are so few defense employers, a count of defense establishments is not applicable.

Chart R.1: 2012 Employment (Wages) by Key Industry in Region 12

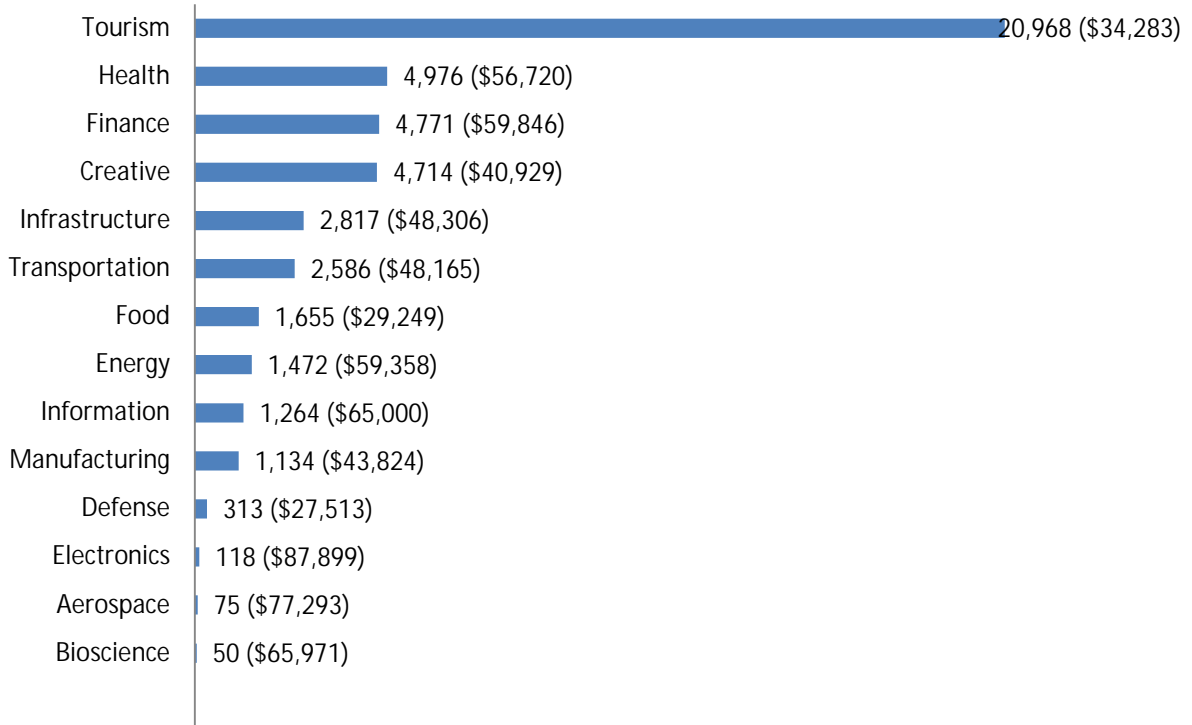


Chart R.2: Employment Changes (Growth Rates) by Key Industry in Region 12 from 2010-12

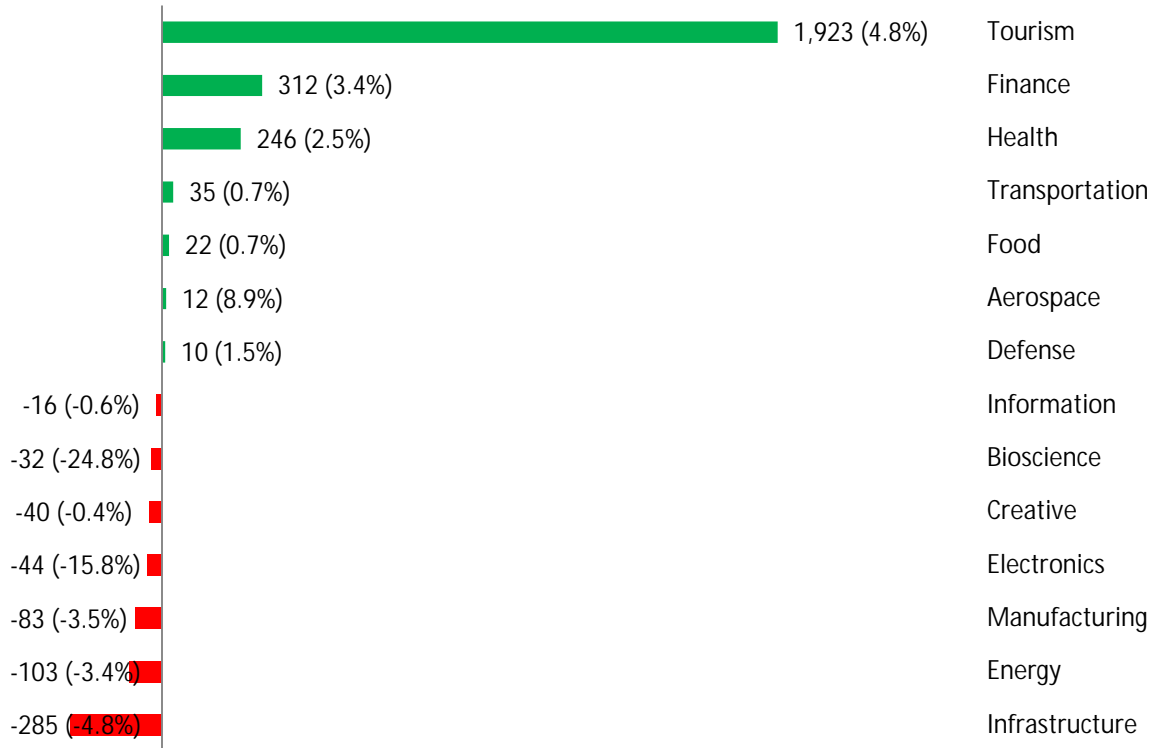


Chart R.3: Region 12 Key Industry Employment Changes (Growth Rates) from 2002 to 2012

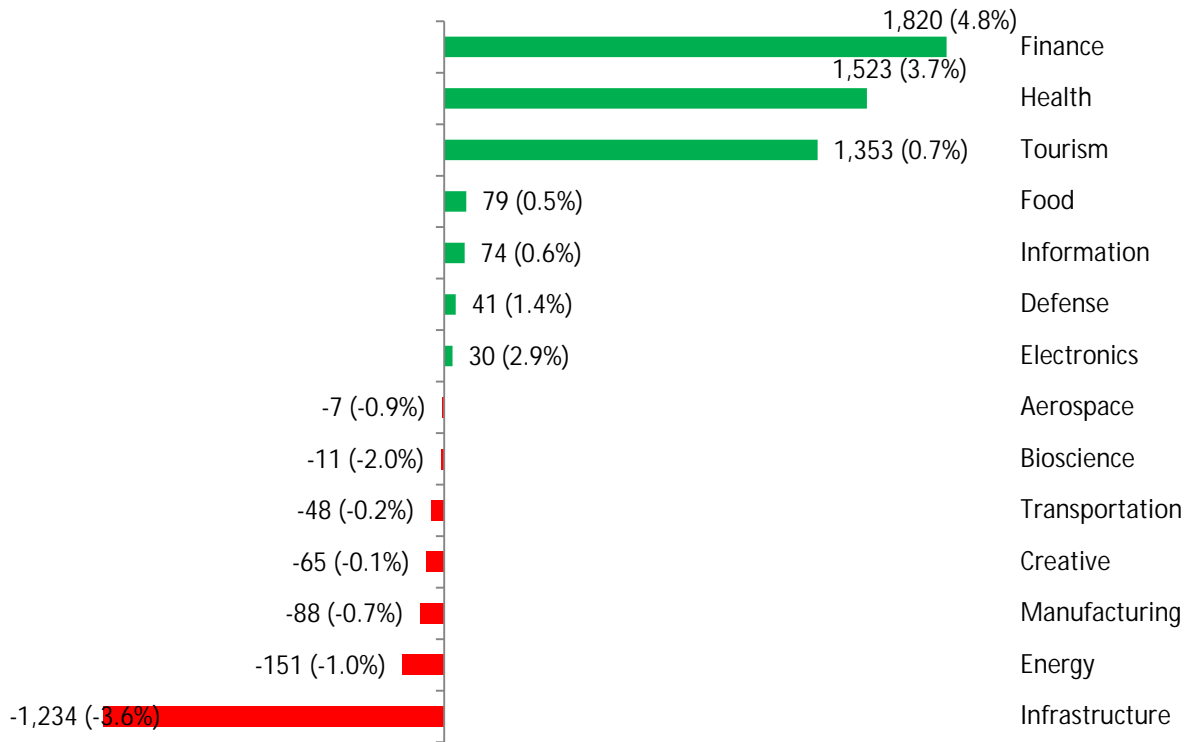


Chart R.4: 2012 Number of Establishments (Average Number of Workers per Establishment) by Key Industry in Region 12

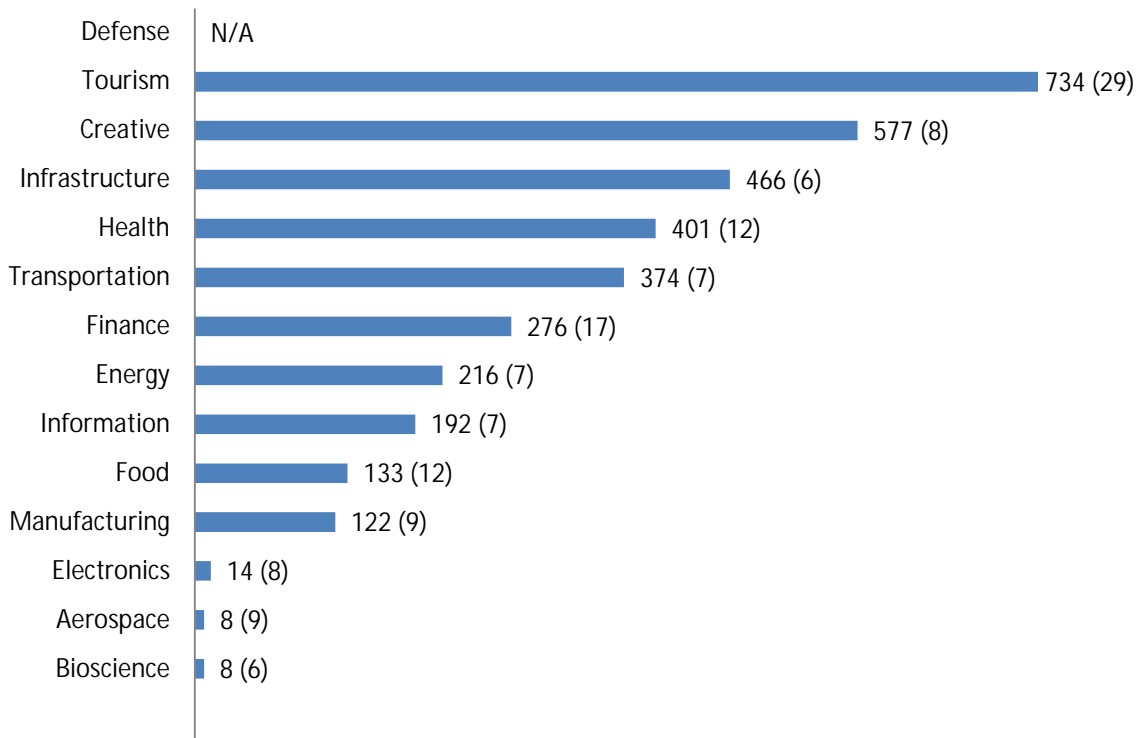
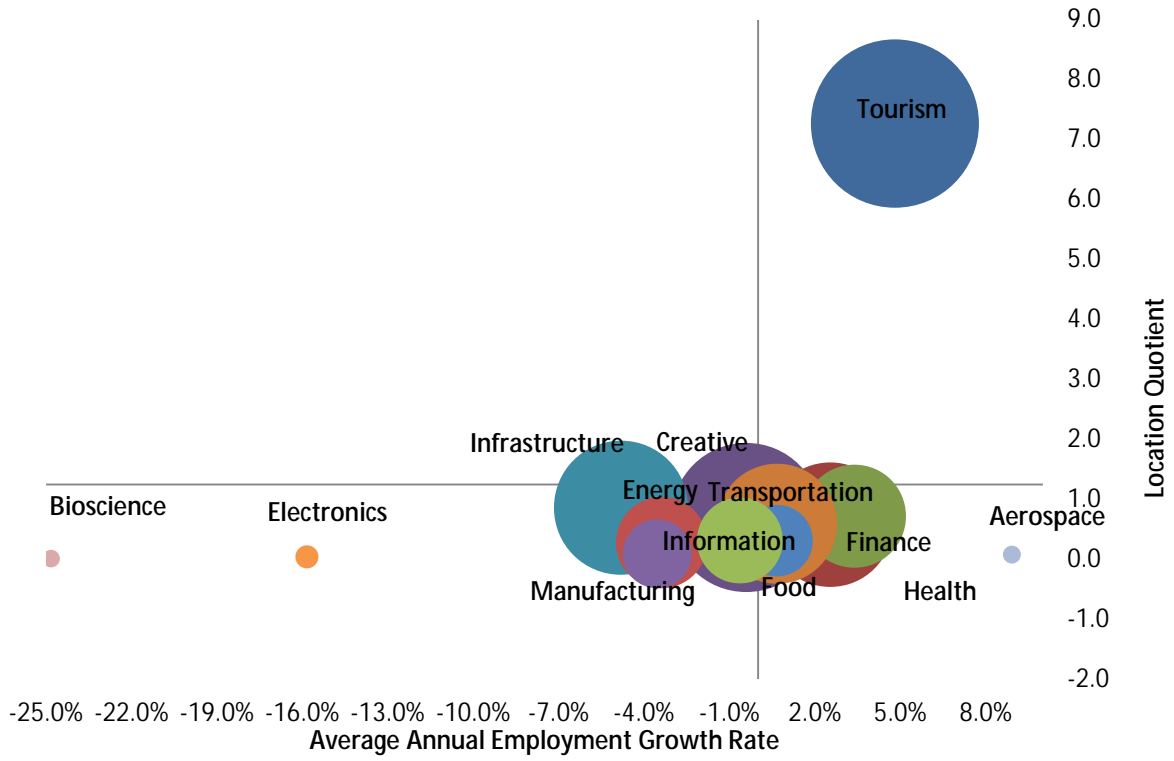


Chart R.5: Key Industry Location Quotients, Average Annual Employment Growth Rates and the Relative Number of Establishments in Region 12 from 2010-12





Colorado Profile

Table CO.1: Colorado Key Indicator Information

KIN	2012 Emp	Level Job Chg 10-12	Avg Annual Growth 10-12	Level Job Chg 02-12	Avg Annual Growth 02-12	2012 Wage	2012 Est	Emp /Est	2012 LQ	2001 LQ
Aerospace	23,852	5	0.0%	-4,045	-1.6%	\$119,810	759	31	1.5	1.2
Bioscience	26,871	1,433	2.7%	4,080	1.6%	\$97,884	1,528	18	0.7	0.7
Creative	162,279	481	0.1%	-17,245	-1.0%	\$54,341	8,864	18	0.9	0.9
Defense	54,990	3,171	3.0%	12,461	2.6%	\$52,342	NA	NA	1.4	1.2
Electronics	26,626	-130	-0.2%	-18,429	-5.3%	\$116,016	1,373	19	0.9	1.4
Energy	118,214	10,127	4.5%	27,582	2.7%	\$81,891	6,037	20	1.1	1.2
Finance	211,779	6,512	1.6%	52,585	2.9%	\$68,133	10,300	21	1.1	1.1
Food	113,511	3,180	1.4%	3,724	0.3%	\$40,130	4,273	27	0.7	0.9
Health	305,850	19,528	3.3%	85,186	3.3%	\$51,702	15,699	19	1.0	1.0
Information	142,861	1,995	0.7%	-38,081	-2.4%	\$101,500	10,056	14	1.3	1.6
Infrastructure	132,105	-3,685	-1.4%	-6,869	-0.5%	\$69,495	9,848	13	1.1	1.3
Manufacturing	145,839	153	0.1%	-42,281	-2.5%	\$72,647	5,874	25	0.6	0.6
Tourism	156,109	5,932	1.9%	9,660	0.6%	\$32,418	6,978	22	1.1	1.1
Transportation	188,644	1,027	0.3%	-4,383	-0.2%	\$65,875	16,346	12	0.9	1.0
Total/Average	1,809,529	49,727	1.4%	63,945	0.4%	\$64,390	97,932	18		

\*NA: Because there are so few defense employers, a count of defense establishments is not applicable.

Chart CO.1: 2012 Employment (Wages) by Key Industry in Colorado

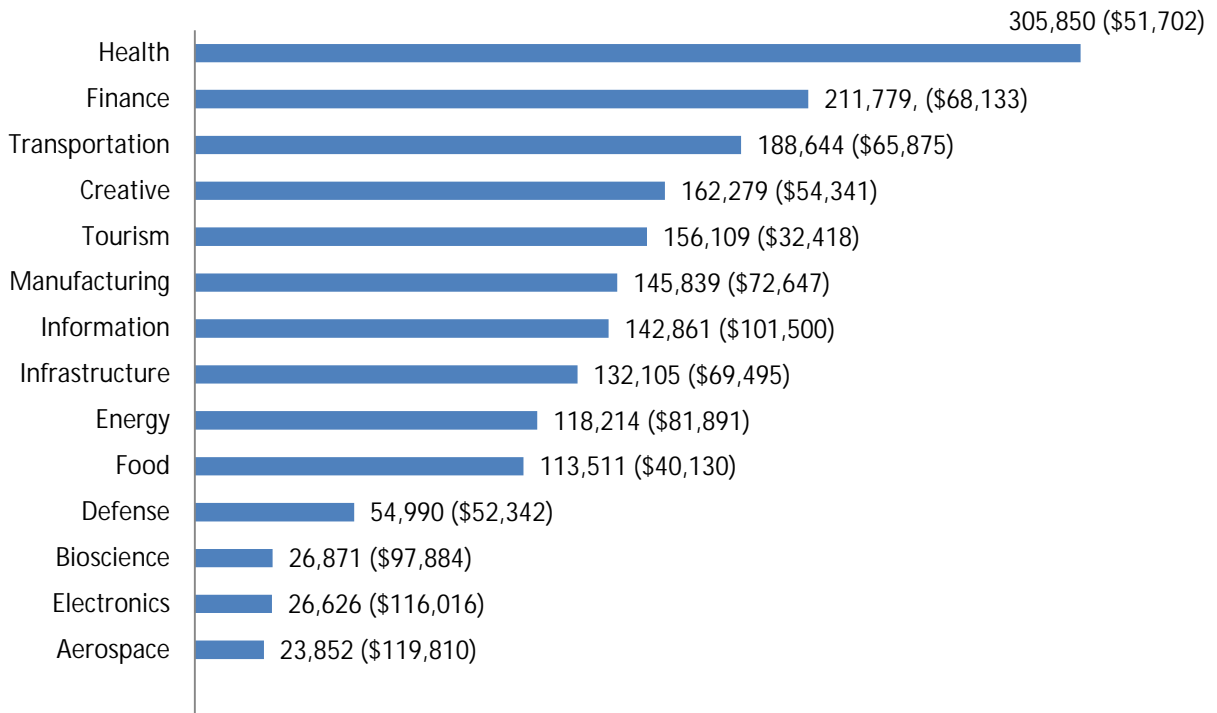


Chart CO.2: Key Industry Employment Changes (Growth Rates) in Colorado from 2010-12

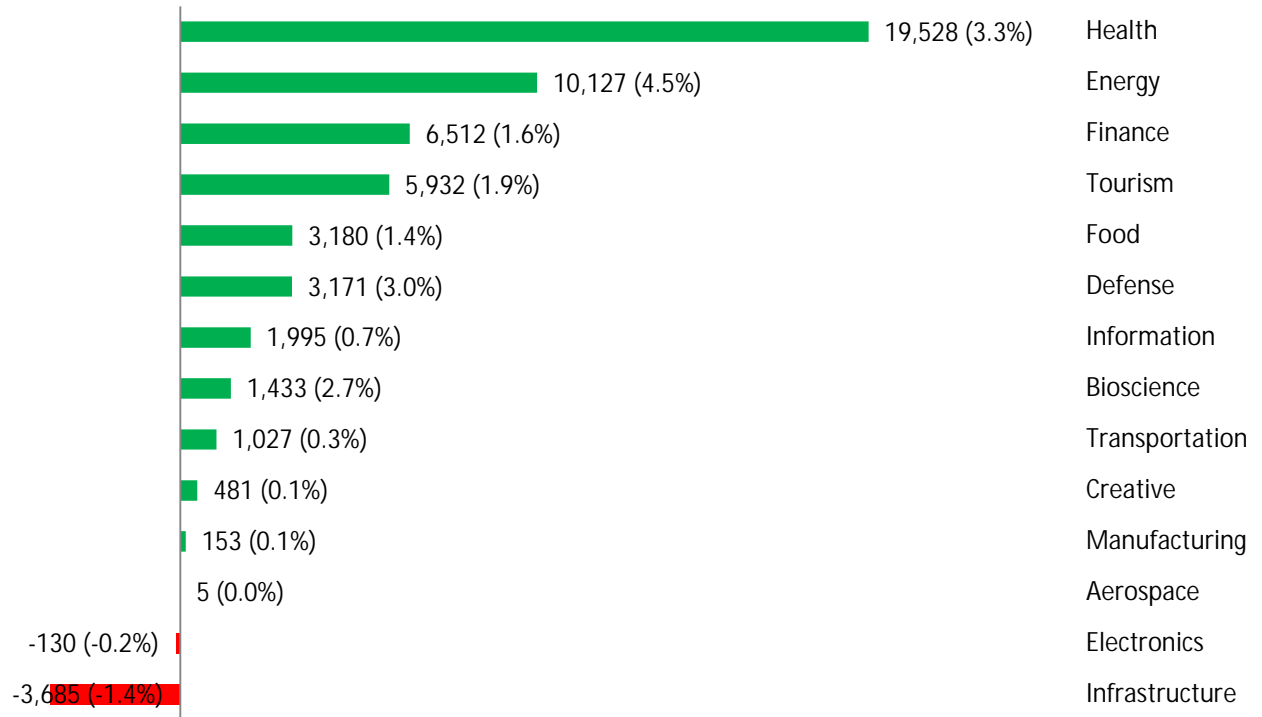


Chart CO.3: Colorado Key Industry Employment Changes (Growth Rates) from 2002 to 2012

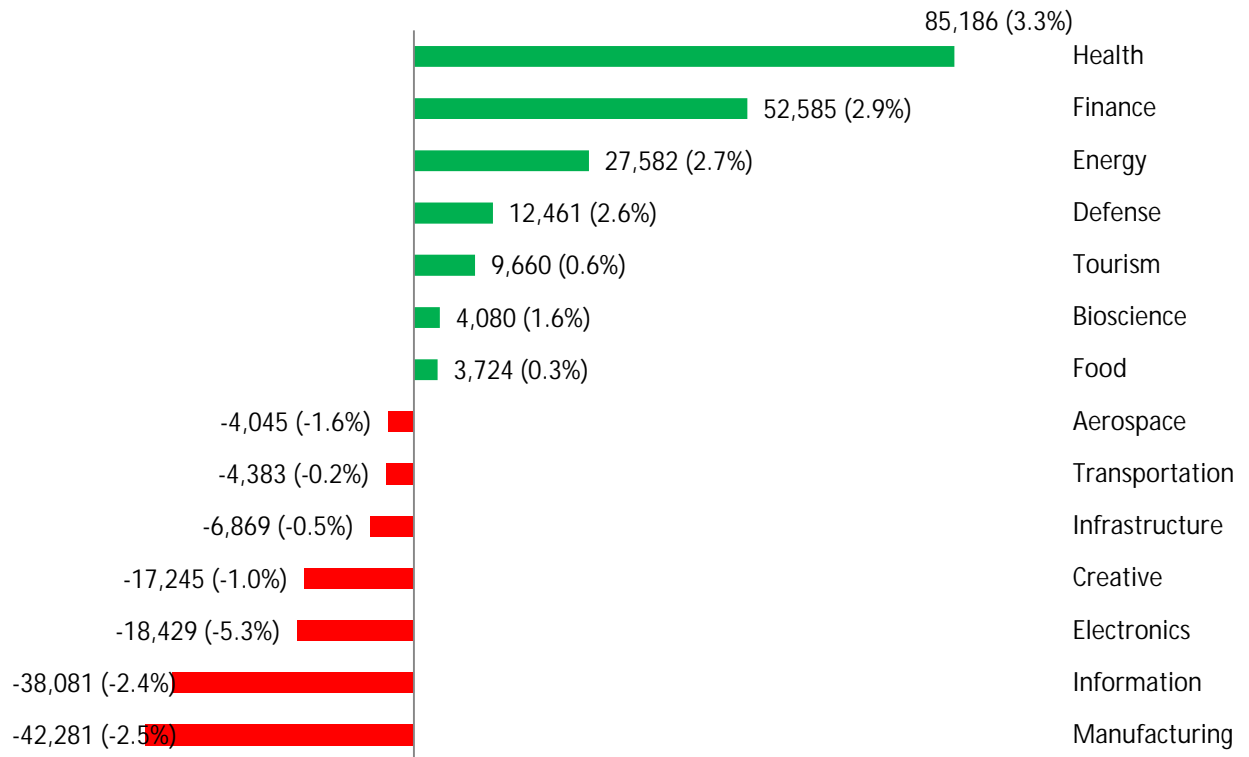


Chart CO.4: The Number of Establishments by Key Industry in Colorado (Average Number of Workers per Establishment) in Colorado for 2012

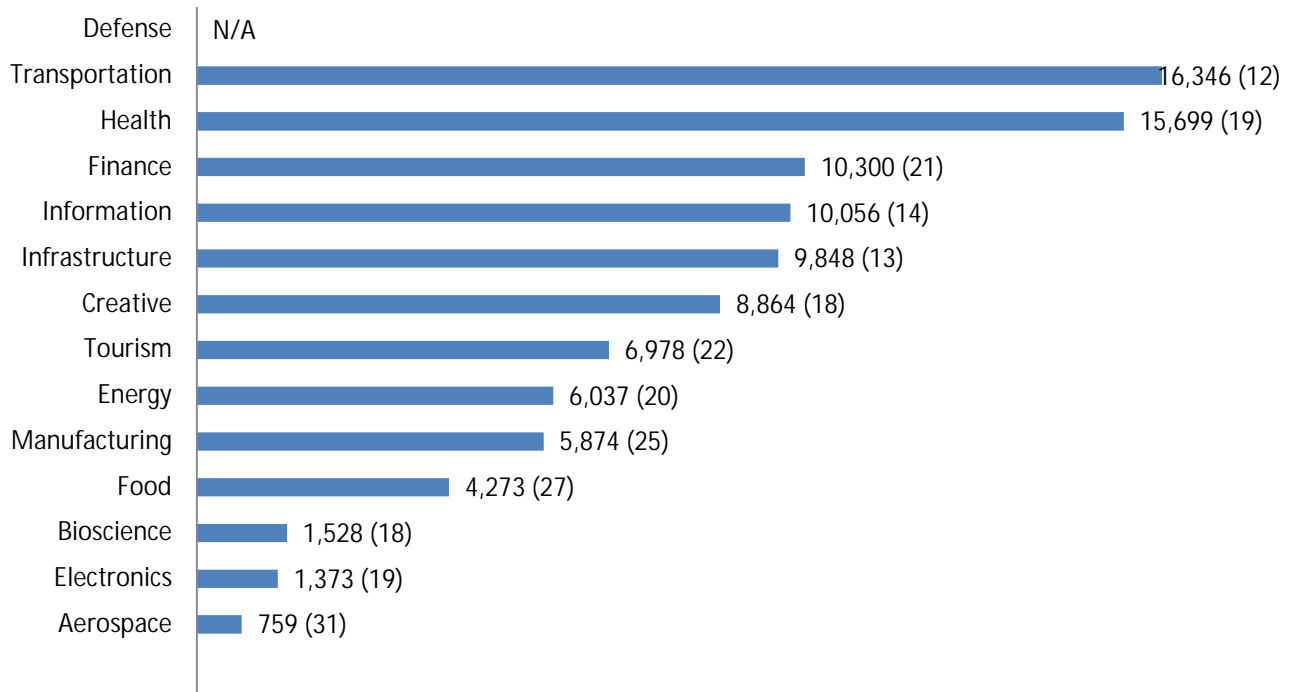


Chart CO.5: Key Industry Location Quotients, Employment Growth Rates and the Relative Number of Establishments in Colorado from 2010-12

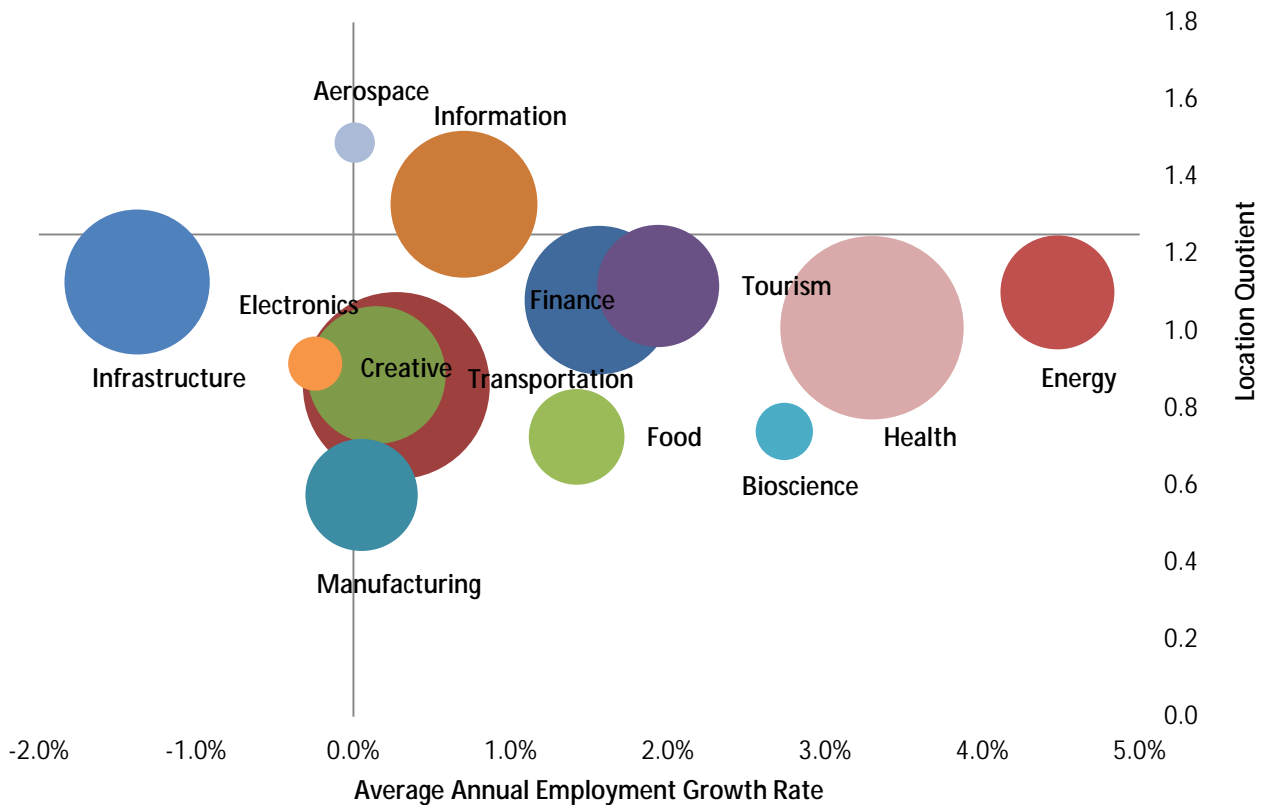
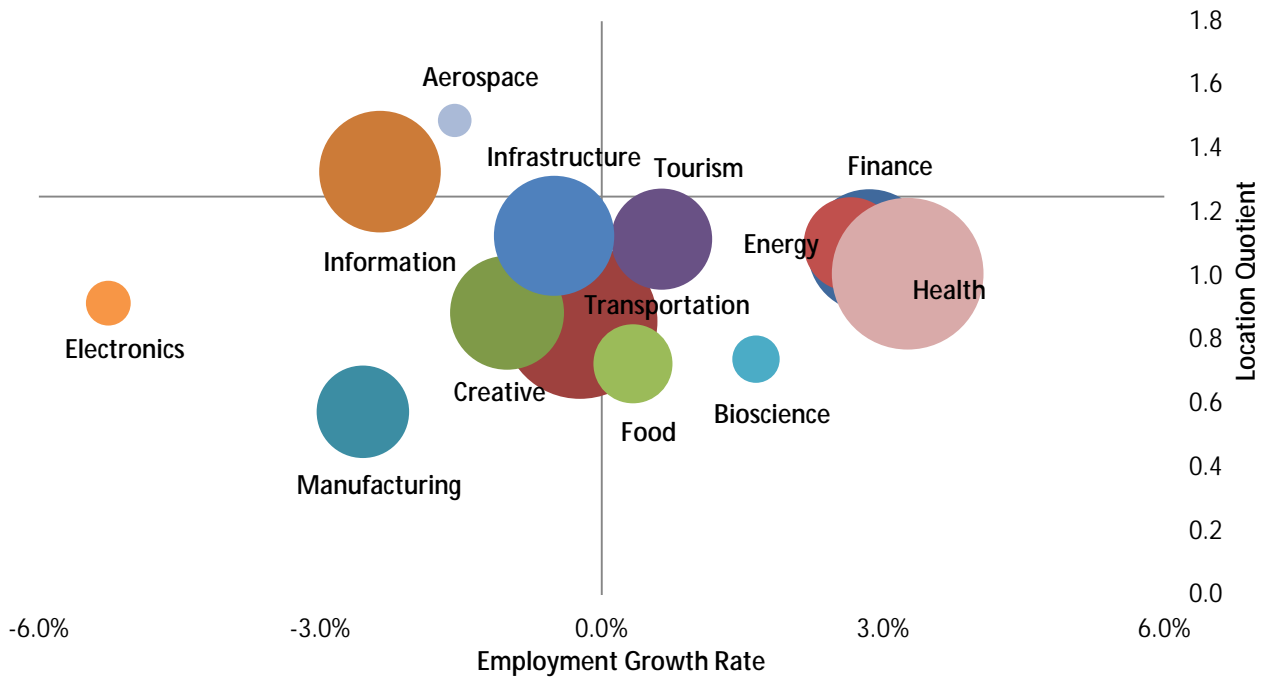


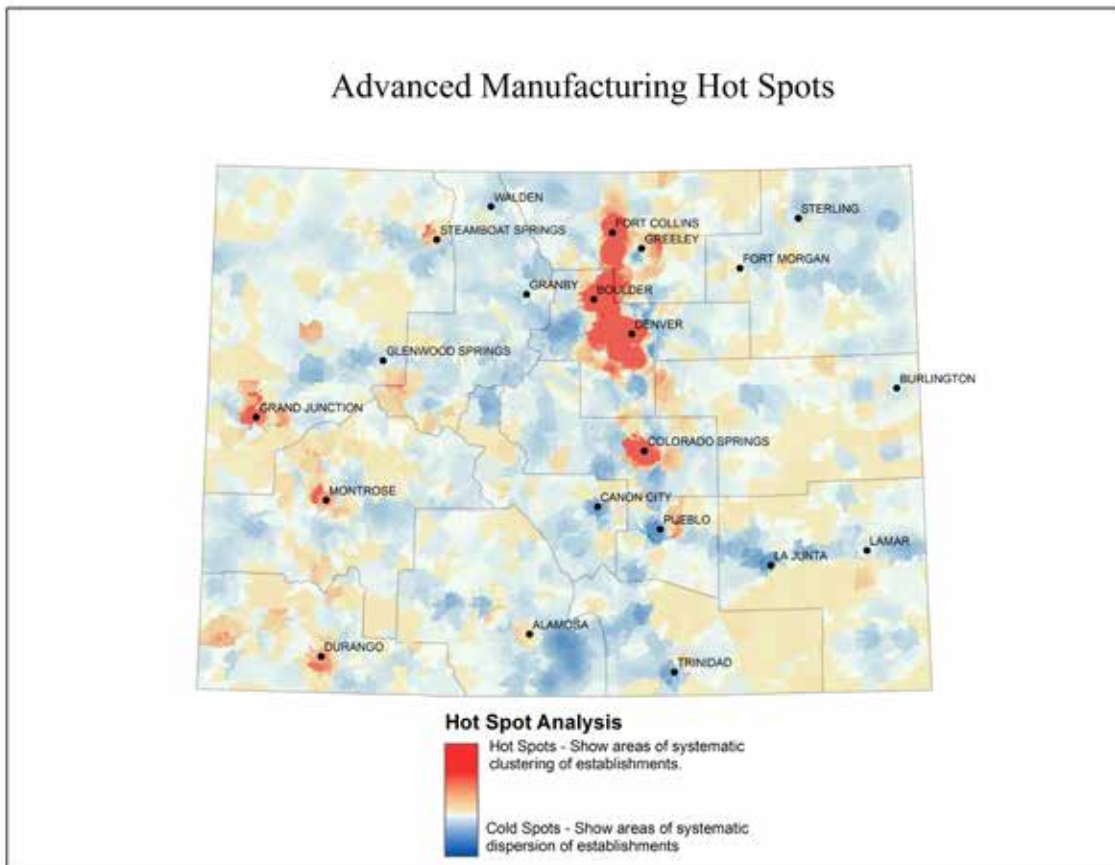
Chart CO.6: Colorado Key Industry Location Quotients, Employment Growth Rates and the Relative Number of Establishments from 2002-12



## *Economic Activity Hot Spots*

This section includes economic “hotspot” maps for each of the 14 key industries (except Defense and Homeland Security). Defense and Homeland Security industries have fewer than a dozen total establishments and therefore are not suitable for a “hot spot analysis.” The Defense and Homeland Security establishments are exclusively concentrated in the Front Range.

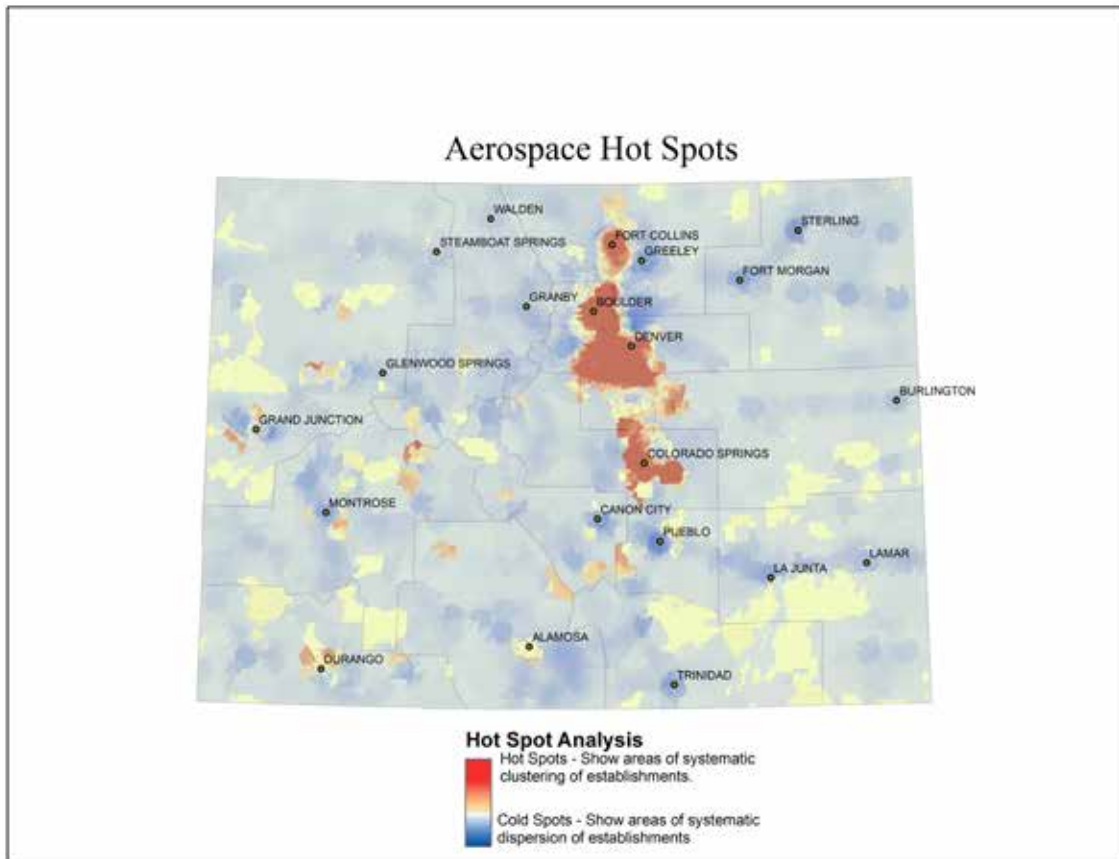
### Advanced Manufacturing



Colorado manufacturers are highly innovative and use advanced processes to serve diverse sectors across the Colorado economy. Manufacturing leaders in the state are also global leaders in advanced materials, as well as food manufacturing and beverage processing. The state is focused on job creation in manufacturing through focused recruitment of new manufacturers and the identification of business-to-business opportunities for existing manufacturers. Colorado was home to 145,839 advanced manufacturing jobs and 5,874 establishments in 2012.

Top 5 4-Digit Advanced Manufacturing NAICS	2012 Employment
3345: Navigational, Measuring, Electromedical, and Control Instruments Manufacturing	20,819
3116: Animal Slaughtering and Processing	16,300
3364: Aerospace Product and Parts Manufacturing	14,031
3231: Printing and Related Support Activities	13,224
3399: Other Miscellaneous Manufacturing	13,080

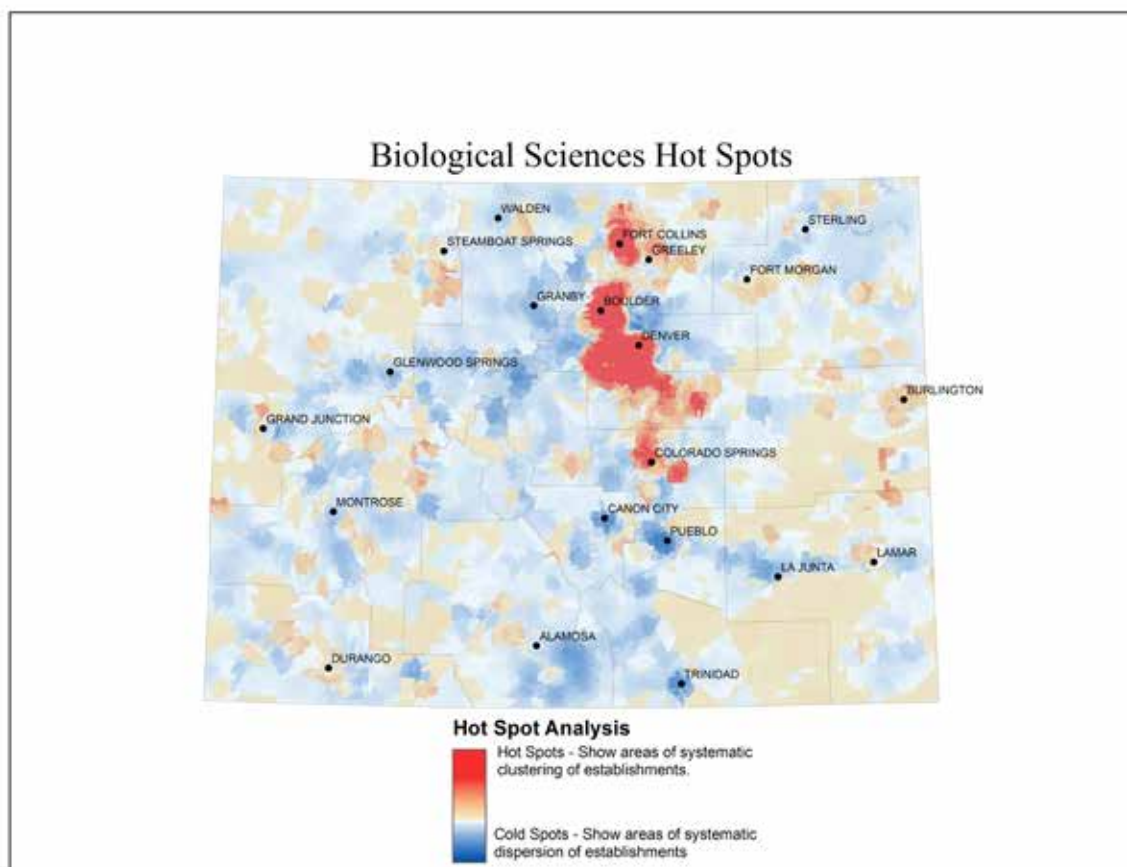
## Aerospace



Colorado's aerospace industry ranks very high in the nation for private sector aerospace employment. With four military commands: Air Force Space Command, Army Space Command, NORAD and USNORTHCOM, as well as three space-related Air Force bases, Colorado is a strategic location for the space industry. Colorado is also actively cultivating innovation and commercial space opportunities, developing Spaceport Colorado and pursuing federal designation as a test site for unmanned aerial vehicle (UAVs). Many of the nation's major aerospace contractors base important operations in Colorado, including Ball Aerospace, Boeing, ITT Exelis, Lockheed Martin, Northrop Grumman, Raytheon, Sierra Nevada Corporation and United Launch Alliance. In 2012, there were 23,853 aerospace jobs at 759 establishments.

Top 5 4-Digit Aerospace NAICS	2012 Employment
3364: Aerospace Product and Parts Manufacturing	14,031
4236: Electrical and Electronic Goods Merchant Wholesalers	6,887
3345: Navigational, Measuring, Electromedical, and Control Instruments Manufacturing	4,844
5179: Other Telecommunications	4,543
3342: Communications Equipment Manufacturing	3,528

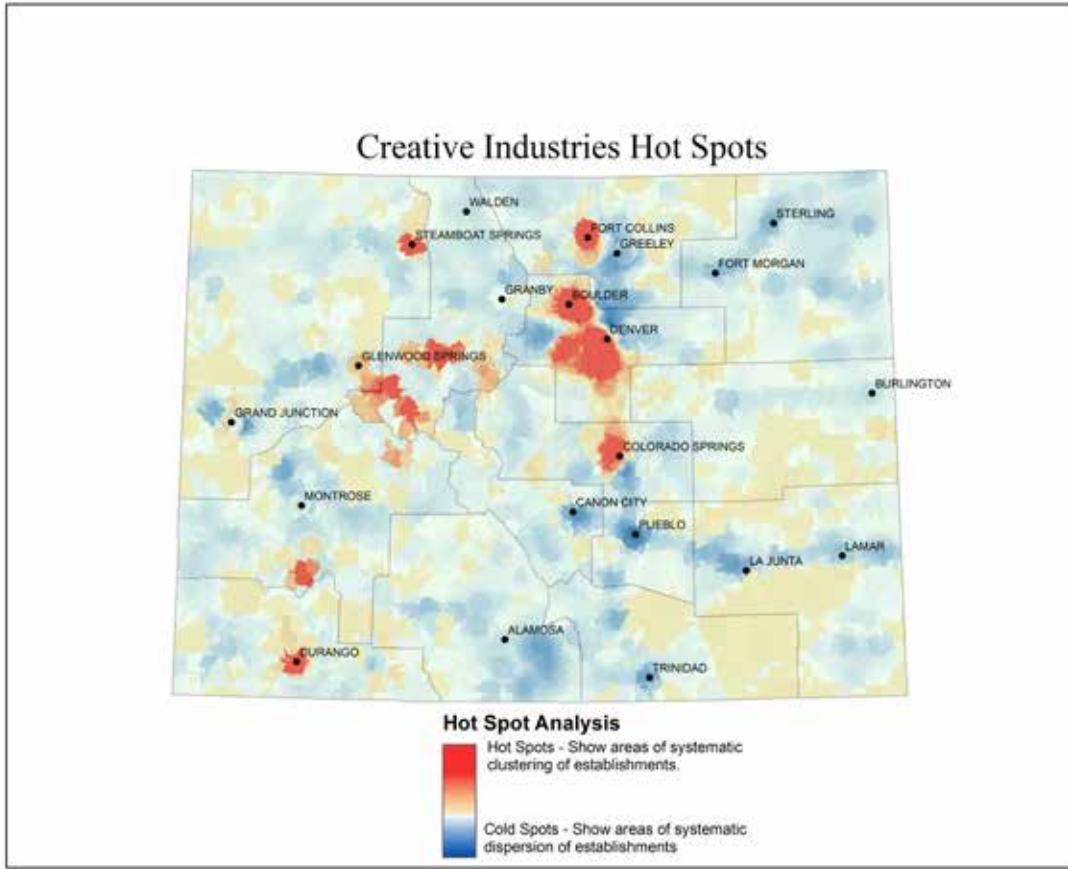
## Biological Sciences



The state is currently home to a thriving industry of biotechnology, medical device, agricultural-bioscience, diagnostic, pharmaceutical, health care providers, research institutions and those businesses that provide critical services and products to bioscience companies. The bioscience industry in Colorado is a vital part of the state's economy, with employment growth surpassing the national average. Over the last five years, many infrastructure investments have been made in the industry including the development of the \$5.3 billion Fitzsimons Life Science District and the BIO Frontiers Institute, a 300,000 square foot, \$300 million multi-disciplinary research center. Recent legislation renewed a \$25 million grant program for technologies licensed out of Colorado research institutions, as well as an additional stream of funding that requires 25 percent of the net increase in future corporate income tax withholdings from bioscience businesses to support proof of concept, early stage companies and infrastructure assistance programs. During 2012, there were 26,871 bioscience jobs at 1,528 establishments.

Top 5 4-digit Biological Science NAICS	2012 Employment
3391: Medical Equipment and Supplies Manufacturing	10,249
3345: Navigational, Measuring, Electromedical, and Control Instruments Manufacturing	9,173
4234: Professional and Commercial Equipment and Supplies Merchant Wholesalers	6,757
3254: Pharmaceutical and Medicine Manufacturing	6,309
4242: Drugs and Druggists' Sundries Merchant Wholesalers	6,081

## Creative Industries

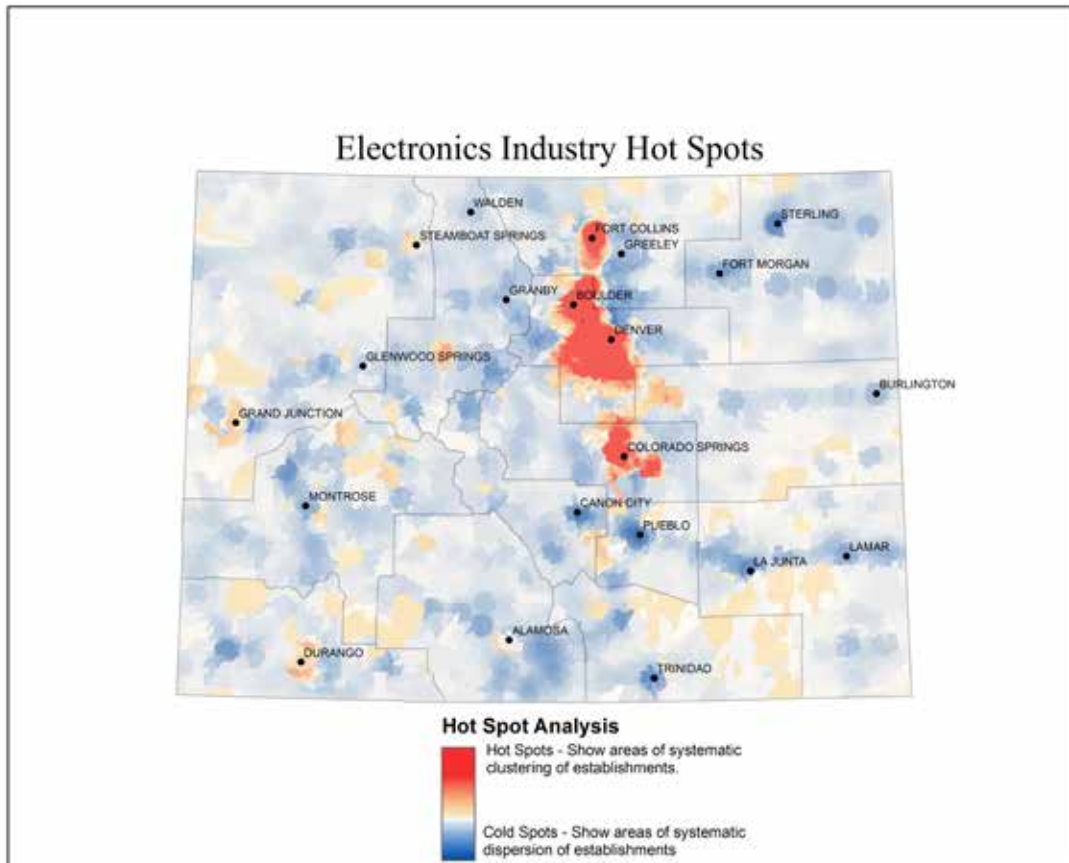


Colorado is a global leader in the creative industries, which include six creative sectors: design, film and media, heritage, literary and publishing, performing arts, visual arts and crafts. The creative industries in Colorado have been growing faster than in most other states, and Colorado now ranks sixth in the nation in percent of its workforce in creative class occupations. These jobs are well distributed across the state; in fact, Colorado has ten of the nation's top 25 non-metro counties in concentration of creative occupations. The entrepreneurial spirit of Colorado is especially strong in creative professionals, who are 3.5 times more likely than the total U.S. workforce to be self-employed. And there is a close connection between art and technology, with one-in-three artists working in the professional, scientific and technical services sectors. In 2012, Colorado employed 163,279 worked in creative industries at 8,864 establishments.

Top 5 4-Digit Creative Industries NAICS	2012 Employment
7115: Independent Artists, Writers, and Performers	51,521
5171: Wired Telecommunications Carriers	45,068
5112: Software Publishers	26,329
5111: Newspaper, Periodical, Book, and Directory Publishers	25,891
5418: Advertising, Public Relations, and Related Services	24,651



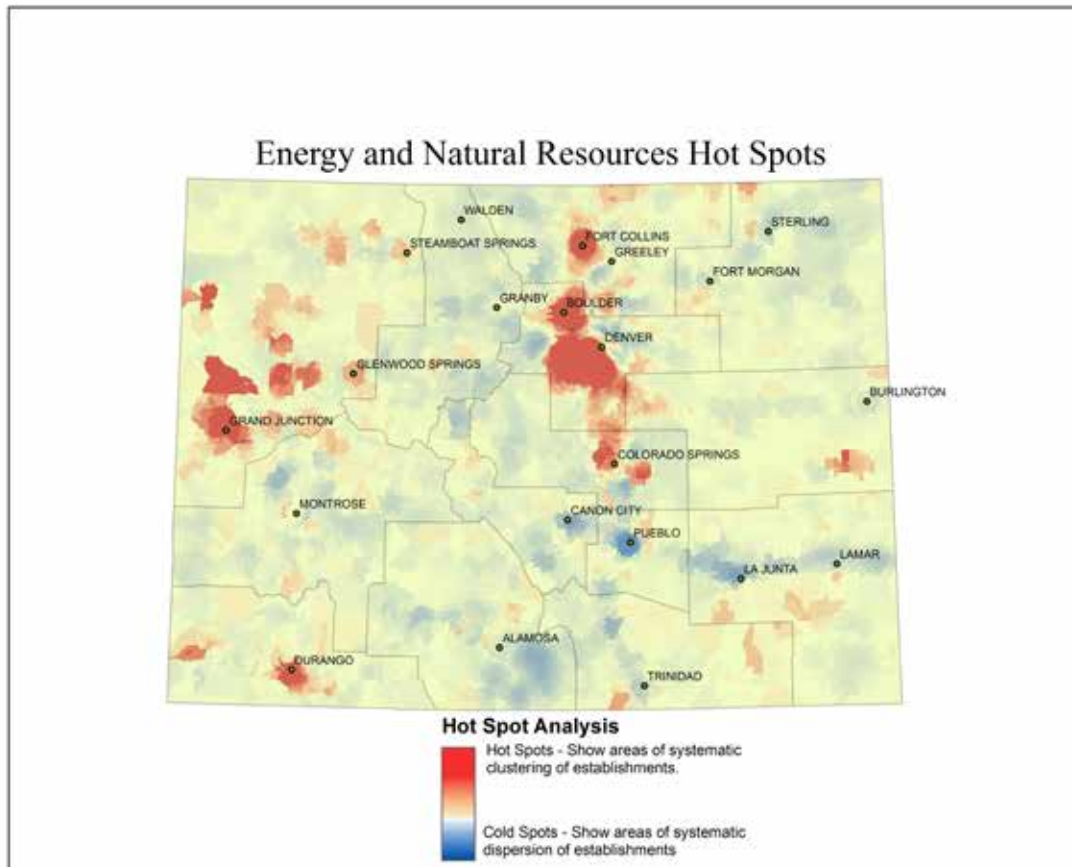
## Electronics



Colorado's electronics industry is capable of engineering, designing and manufacturing everything from light emitting diodes (LEDs) used for sustainable lighting, to remote radiation sensors used for space-based applications. Arrow Electronics, the Colorado-based electronics distribution and services company, was named by Forbes Magazine as one of "the world's most admired companies" for the 12th consecutive year in 2012. Arrow Electronics supplies about 40 percent of the electronic components and services globally, and is Colorado's largest revenue generating company. The increased development of the electronics industry also helps to support other industries within the state including Aerospace, Bioscience, Defense and Homeland Security, Manufacturing and Technology. In 2012 there were 26,626 electronics jobs at 1,373 establishments.

Top 5 4-Digit Electronics NAICS	2012 Employment
4236: Electrical and Electronic Goods Merchant Wholesalers	13,098
3344: Semiconductor and Other Electronic Component Manufacturing	12,239
4234: Professional and Commercial Equipment and Supplies Merchant Wholesalers	10,469
3345: Navigational, Measuring, Electromedical, and Control Instruments Manufacturing	7,038
3341: Computer and Peripheral Equipment Manufacturing	5,032

## Energy and Natural Resources

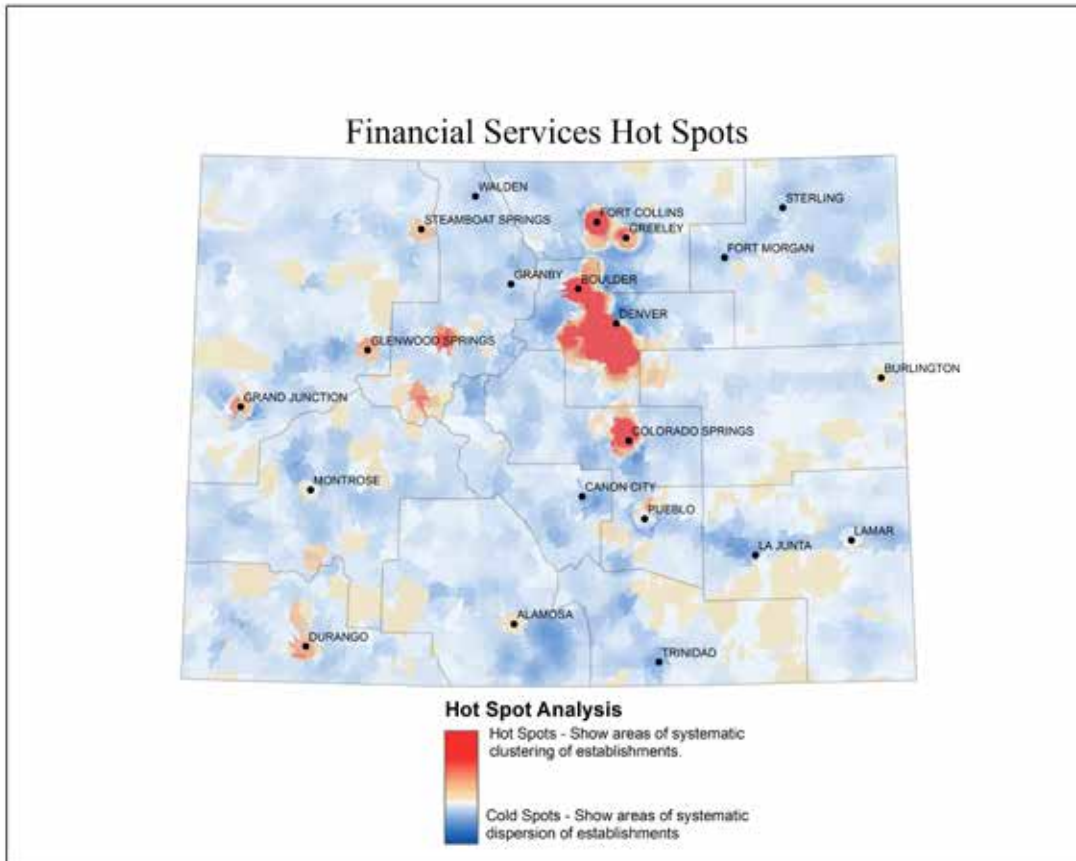


Colorado was the first state to pass a voter-approved renewable energy standard, with the goal of using 30 percent renewable energy by 2020 and giving Colorado one of the nation's strongest renewable energy standards. In addition, the state's Clean Air Clean Jobs Act will improve Colorado's air quality by using clean-burning natural gas to generate electricity.

Thanks to the collaborative efforts of industry and the environmental community, Colorado now has the country's strongest public disclosure rule on the process of hydraulic fracturing technology. The new Colorado Energy Office will promote all types of energy that protect the environment, lower consumer costs and increase energy security, with a focus on long-term energy projects that have broad job creation potential. Colorado was home to 118,214 jobs in energy and natural resources industries and 6,037 establishments during 2012.

Top 5 4-Digit Energy and Natural Resources NAICS	2012 Employment
2111: Oil and Gas Extraction	63,346
2382: Building Equipment Contractors	39,401
2131: Support Activities for Mining	32,184
2371: Utility System Construction	20,926
2211: Electric Power Generation, Transmission and Distribution	13,188

## Finance



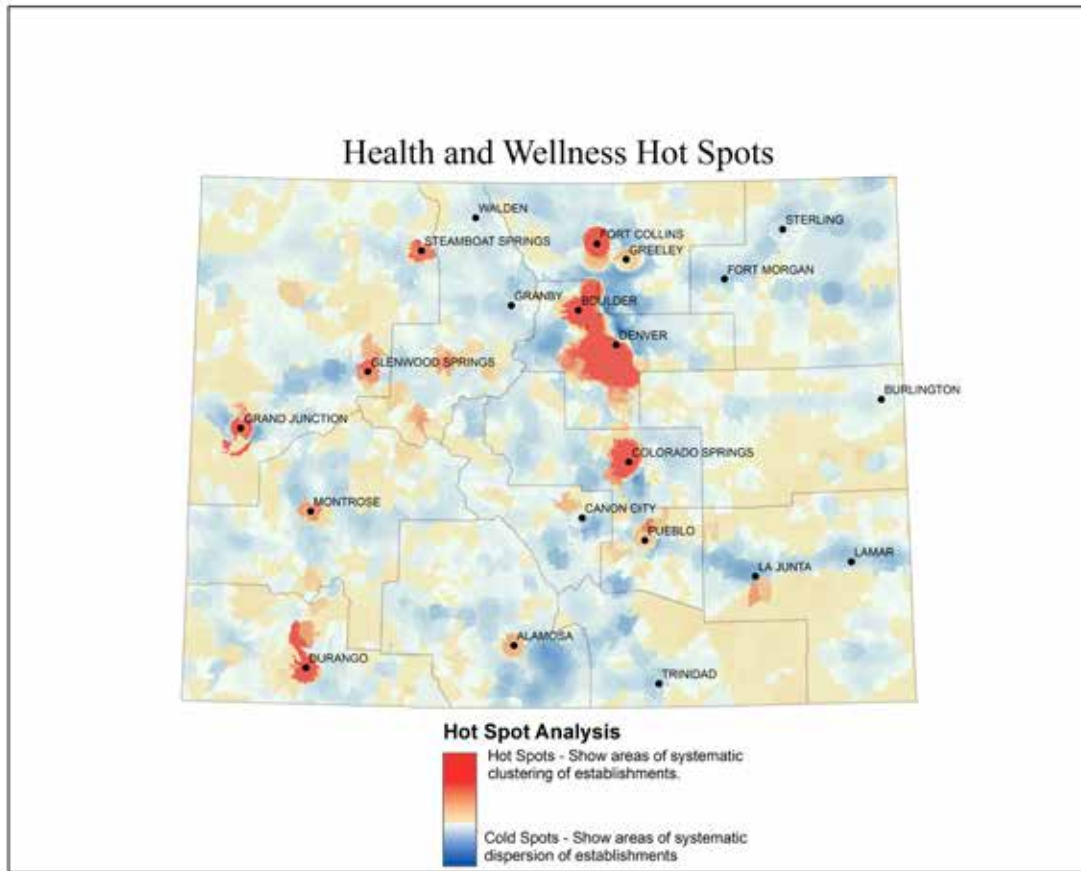
Colorado's Front Range is one of the few areas outside of the Northeast with a substantial financial services industry in three key market segments: banking and finance, investments and insurance. Independent banking institutions as well as innovative financial services and financial technology firms also thrive in communities around the state.

A central location with global access helps financial services companies in the region expand their competitive edge. From global giants to regional players, a growing number of financial services companies are capitalizing on our highly educated and affordable workforce, low operation access, and central location. During 2012, there were 211,779 jobs in the finance industry at 10,300 establishments.

Top 5 4-Digit Financial Services NAICS	2012 Employment
5239: Other Financial Investment Activities	144,199
5242: Agencies, Brokerages, and Other Insurance Related Activities	57,764
5221: Depository Credit Intermediation	55,841
5241: Insurance Carriers	42,456
5231: Securities and Commodity Contracts Intermediation and Brokerage	27,728



## Health and Wellness

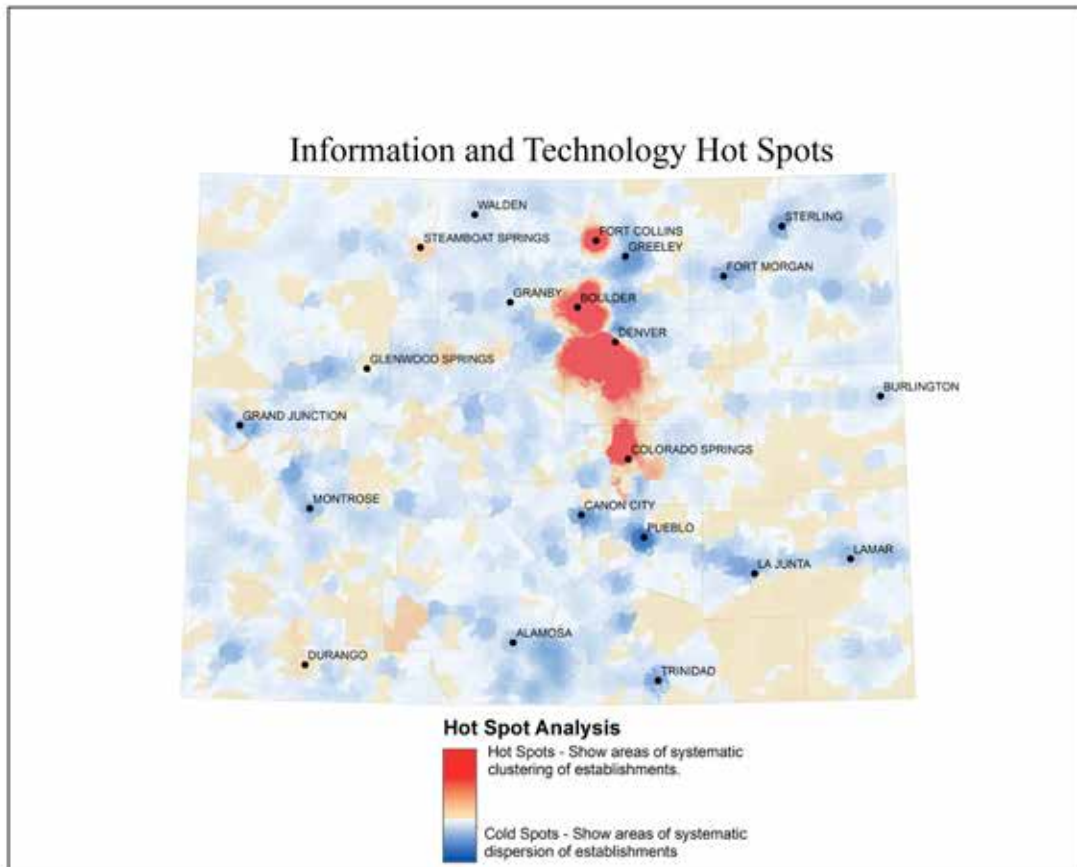


Colorado is building health and wellness into the state brand and aims to be the healthiest state in the nation. The state is collaborating with the public and private sectors, as well as nonprofit foundations like the Colorado Health Foundation and LiveWell Colorado.

Every corner of Colorado has local innovators and regional leaders in health and wellness. Grand Junction is a national model for efficient healthcare and innovation in efficient health and wellness. Pueblo is focusing on creating regional centers of excellence for healthcare to support southern Colorado and surrounding states. Northern Colorado’s Poudre Valley Health System and the Heart Center of the Rockies are regional leaders. Pockets of innovation in health and wellness also bolster regional economies in the Upper Arkansas Valley, Western Slope and Eastern Plains. Colorado employed 305,850 workers in the health and wellness industry at 15,699 establishments during 2012.

Top 5 4-Digit Health and Wellness NAICS	2012 Employment
6221: General Medical and Surgical Hospitals	100,209
6211: Offices of Physicians	79,910
6213: Offices of Other Health Practitioners	60,683
6241: Individual and Family Services	53,596
6231: Nursing Care Facilities	42,828

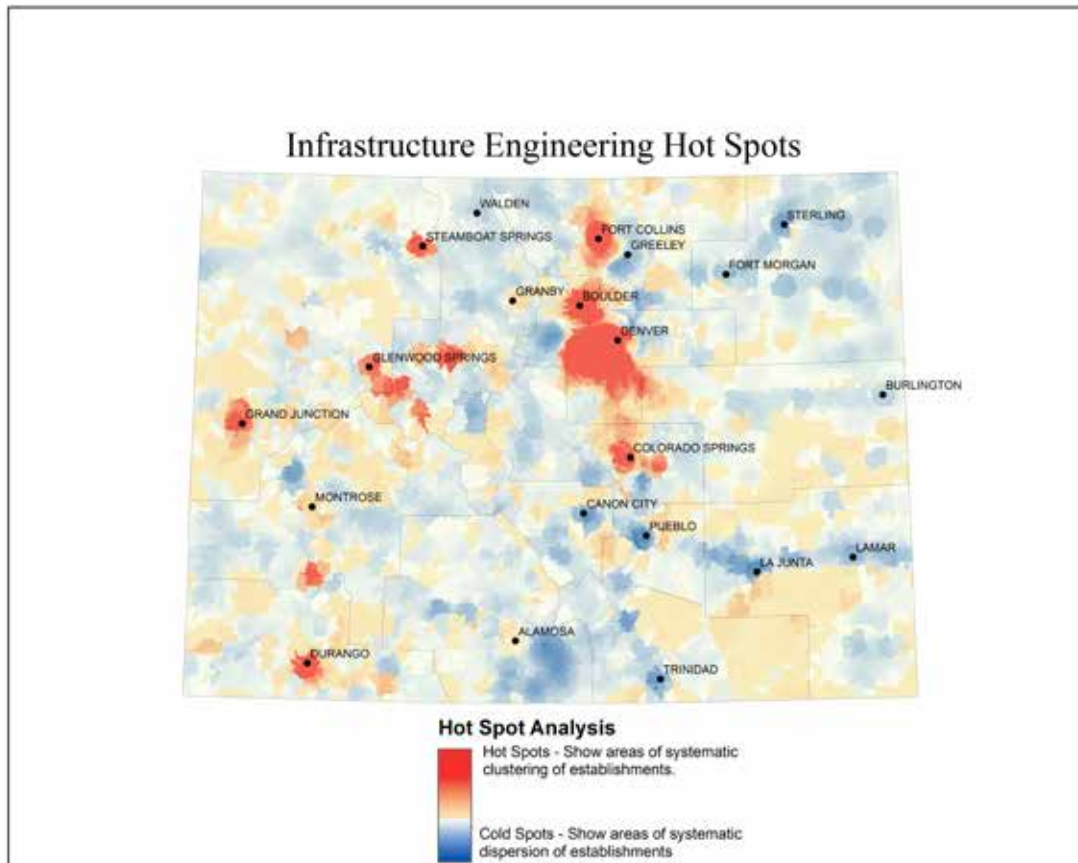
## Information and Technology



Countless opportunities exist in the technology and information industry in Colorado. There is strong entrepreneurial activity and continual expansion into markets, alongside major corporate regional offices. Our central geographic location and extensive infrastructure means goods and services are readily deliverable across the country and around the world. The industry is diverse, with particular concentration in the software and communications technology sectors. The technology industry has deep roots in Colorado, with global players like DISH Network, Liberty Interactive, Liberty Global, Oracle, Clear Channel, Century Link, SAP and more. The corporate presence helps feed the hot start-up innovation scene in Boulder, which is expanding along the Front Range to Denver, Fort Collins and Colorado Springs. Colorado is a leading high-tech state with the one of the highest educated workforce populations in the country, a dense concentration of high-tech workers, all leading to high-tech exports. In 2012 there were 142,861 jobs in the information and technology industry at 10,056 establishments.

Top 5 4-Digit Information and Technology NAICS	2012 Employment
5415: Computer Systems Design and Related Services	109,264
5171: Wired Telecommunications Carriers	45,068
5112: Software Publishers	26,329
5182: Data Processing, Hosting, and Related Services	16,476
3344: Semiconductor and Other Electronic Component Manufacturing	12,239

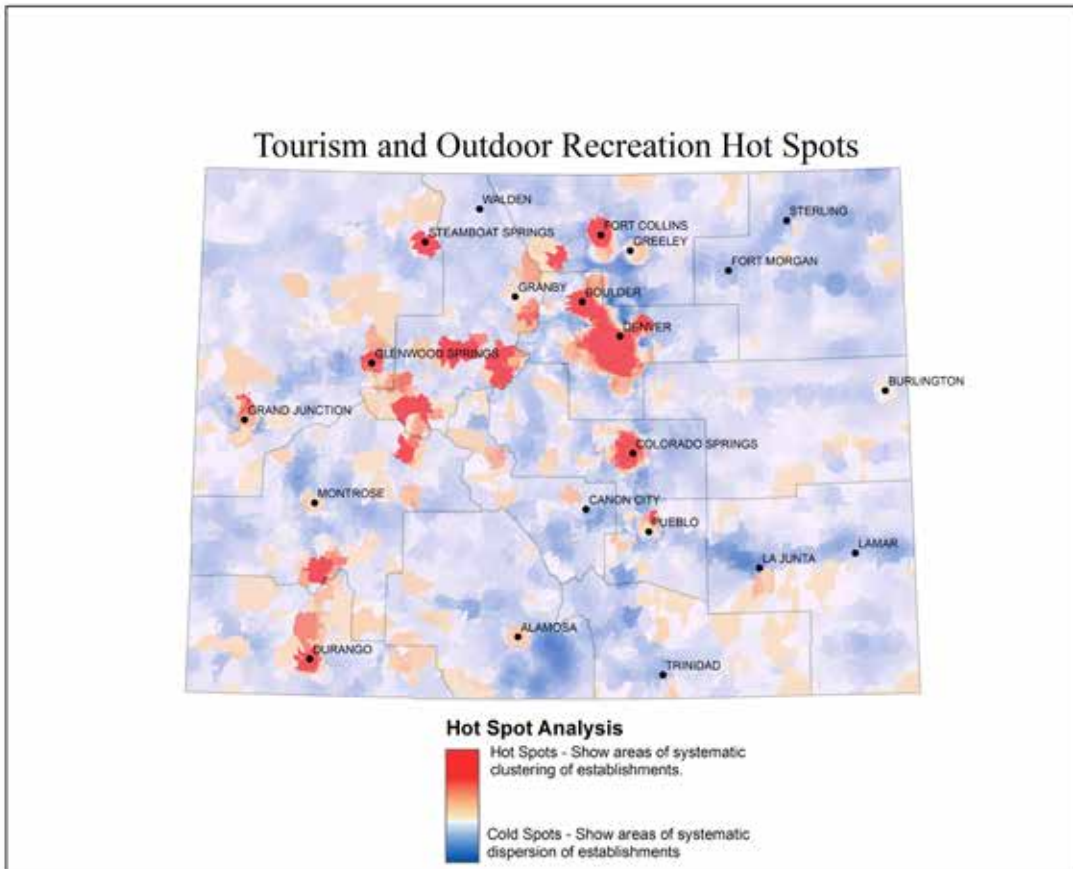
## Infrastructure Engineering



Colorado is home to tens of thousands of highly-trained engineers who work on major civil, commercial and environmental projects serving the needs for secure water, energy and ecosystems, as well as major stadiums and venues. Both developed and developing countries present major market opportunities for Colorado's engineering, design and construction services firms, as their services are unparalleled. CH2M HILL, a Fortune 500 firm headquartered in Colorado, is engineering and expanding the Panama Canal, managed the design and construction of the infrastructure for the 2012 London Olympic Games, and is already working on the stadiums for the 2022 World Cup in Qatar. Colorado-based Fentress Architects designed the Incheon International Airport in Seoul, Korea, and RNL Design is the architect for some of the tallest buildings in the world and some of the most ambitious international hospitality destinations. In 2012, Colorado was home to 132,105 jobs in the infrastructure engineering industry and 9,848 establishments.

Top 5 4-Digit Infrastructure Engineering NAICS	2012 Employment
5413: Architectural, Engineering, and Related Services	98,271
2389: Other Specialty Trade Contractors	58,916
2362: Nonresidential Building Construction	25,242
2371: Utility System Construction	20,536
2373: Highway, Street, and Bridge Construction	13,167

## Tourism and Outdoor Recreation



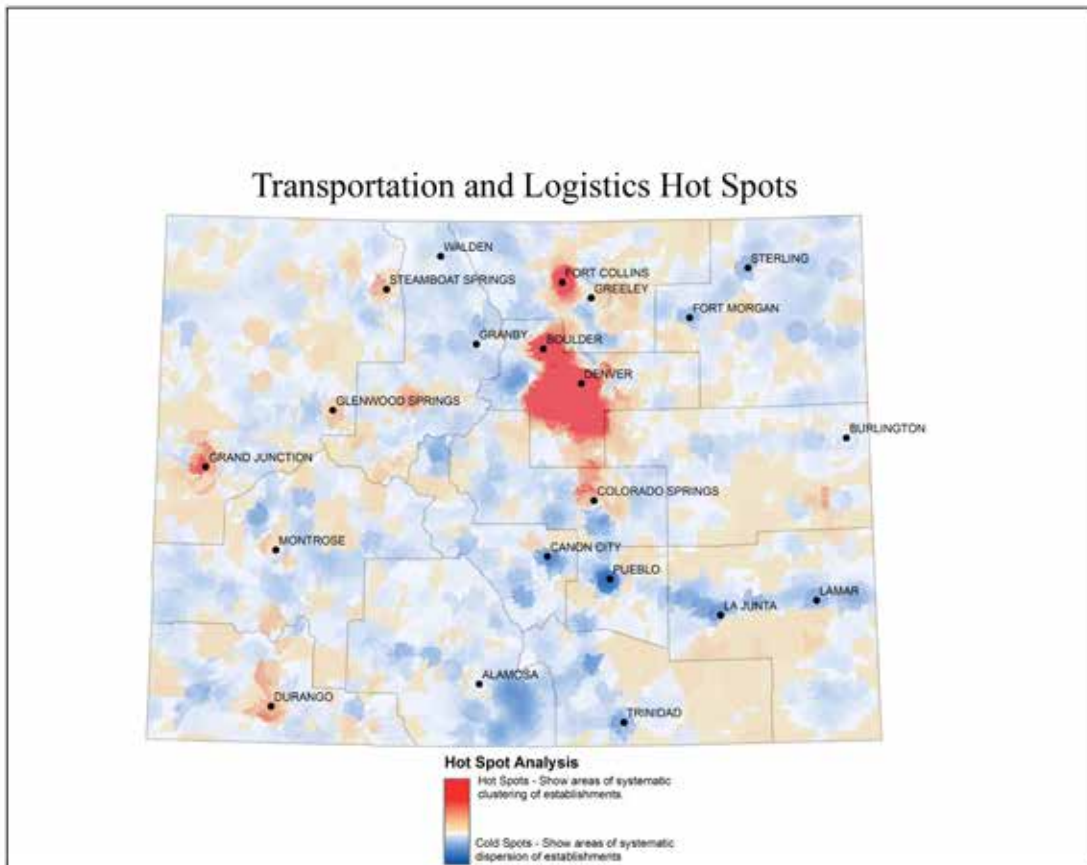
Outdoor recreation and tourism are woven through the fabric of Colorado’s culture and define the state. Domestic and international visitors are invited to “Come to Life” in Colorado. While experiencing the outdoors is a large part of the lifestyle in Colorado, it is also a significant economic driver. Colorado’s tradition and passion for outdoor access is due in large part to unparalleled natural resources, as well as a long history of environmental conservation and stewardship.

Colorado is an international hub of outdoor recreation, with a concentration of outdoor industry companies estimated to be about 12 percent of the national total. During 2012, there were 156,109 jobs in the tourism and outdoor recreation industry at 6,978 establishments.

Top 5 4-Digit Tourism and Outdoor Recreation NAICS	2012 Employment
7211: Traveler Accommodation	83,514
7139: Other Amusement and Recreation Industries	51,687
4811: Scheduled Air Transportation	23,781
7222: Limited-Service Eating Places	20,117
7224: Drinking Places (Alcoholic Beverages)	18,026



## Transportation and Logistics



Colorado's transportation and logistics industry is enabled by multimodal transportation infrastructure elements that are privately and publicly owned and operated. The transportation system consists of major state and federal highways, local roadways, freight and passenger railroads, private and public transit systems, airports, as well as pedestrian and bicycle facilities.

The two Class I railroads that operate in Colorado—BNSF Railway and Union Pacific Railroad—together own and operate on more than 2,000 miles of track in the state. The 12 short line railroads comprise over 600 miles of track in the state and primarily provide localized service for the food and agriculture industry with connections to the Class I railroads. Nearly a quarter of all freight handled in Colorado is moved via rail. More than half of the commodities carried on the rail is coal from Wyoming destined for Texas and states east of Colorado. In 2012 there were 188,644 jobs in the transportation and logistics industry at 16,346 establishments.

Top 5 4-Digit Transportation and Logistics NAICS	2012 Employment
4841: General Freight Trucking	32,292
4251: Wholesale Electronic Markets and Agents and Brokers	26,587
4234: Professional and Commercial Equipment and Supplies Merchant Wholesalers	24,751
4811: Scheduled Air Transportation	23,916
4244: Grocery and Related Product Merchant Wholesalers	23,647

## Defense and Homeland Security

Because there are so few defense establishments, a state-level map of this sector provides little value.

Colorado is home to a diverse mix of Department of Defense military installations including Buckley Air Force Base, the United States Air Force Academy, North American Defense Command (NORAD), and U.S. Northern Command (USNORTHCOM). These installations foster important synergies between the private sector and the government. Colorado has five major military installations and five strategic commands, including Air Force Space Command.

Beyond its direct employment impact, the military serves two other significant roles in terms of economic development. The military is a sophisticated and demanding customer of cutting-edge technology and innovation around which a dense network of highly-technical suppliers and service providers has grown. In addition, the military is an important draw for talent, initially attracting and training highly skilled workers that subsequently remain in the state and add to its unrivalled stock of space-related talent. Colorado is actively developing policies and programs to support military families and ensure that there are both employment and educational opportunities for the spouses and children of our servicemen and women. There were 54,990 jobs in the defense and homeland security industry in 2012.