

Opportunity Industries

Growing Traded Sectors to Expand Deep Prosperity

B3K Prosperity is a collaboration among business, government and civic stakeholders to create and deliver a joint strategy and investment plan for regional economic growth and opportunity. Our focus is promoting quality job creation that is enduring and accessible to all residents, so that everyone in the Bakersfield/Kern County region sees their quality of life improve. One of the ways we do this is by starting, growing and attracting companies in traded sectors.

Why Traded Sectors Matter

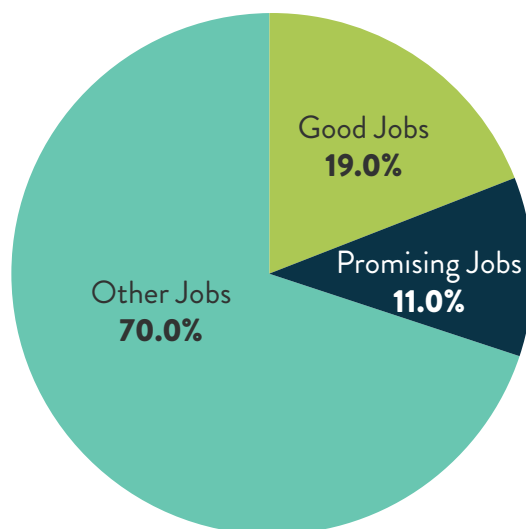
Traded sectors are one of the three drivers of regional economic competitiveness. They include firms that sell their goods or services to customers outside of our region, bringing new money into our regional economy. Traded sector jobs create a multiplier effect that generates between three and five new locally-serving jobs. Firms in traded sectors perform better in growth, job creation and wages, and they are more resilient to economic downturns.

Identifying Opportunity Industries

We need to grow and attract traded sectors that create good and promising jobs to achieve our goals for inclusive growth. Opportunity Industries are those in which good jobs represent an above-average share of the industry's total jobs. We want to concentrate our energy on attracting Opportunity Industries in traded sectors where our region's talent and resources make us competitive for investment.

What makes a Good Job?	What's a Promising Job?
Jobs that provide stable employment, middle-class wages and benefits	Entry-level positions from which most workers can reach a good job within 10 years

Fewer than 30% of Bakersfield/Kern County residents have a Good or Promising Job.



Source: B3K Prosperity Market Assessment

Opportunity Industries for Bakersfield/Kern County

Our Market Assessment completed a holistic and comprehensive evaluation of our regional economy. We identified four Opportunity Industries in traded sectors with potential for growth and where our region has competitiveness. These four Opportunity Industries have potential to yield the greatest return on investment and inclusive growth.

Carbon Management and Renewable Fuels Production and Innovation

Navigating the transition to a less carbon-intensive economy while maintaining our role as a global leader in energy production and innovation

- Leading Carbon Capture and Storage (CCS) implementation and innovation, using market and climate policy opportunities to become a global center of excellence for concepts, products and services
- Expanding renewable biofuels, including development of new production technologies and processes
- Increasing production and innovation of other renewable fuels and energy, including hydrogen and biomass

Business Services “Second Offices”

Pursuing longer-term diversification and digital skills development

- Capitalizing on growth in remote services, outsourcing functions and back-office relocation from coastal California
- Connecting to serve demand in East Kern
- Meeting expansion needs of small, emerging tech-oriented firms
- Developing a stronger talent base for both existing firms and prospects

Moving Forward

Opportunity Industries have the greatest potential to increase the number of good and promising jobs in our local economy. As B3K Prosperity moves from our research to planning phase, we intend to develop strategies and an action plan that focuses our economic development efforts on Opportunity Industries, so that more of our neighbors will be able to move to the middle class, improve their quality of life and improve the overall wellbeing of our region.

Aerospace

Focusing on the untapped potential for smaller high-growth firms and defending against national competition

- Establishing a true industry cluster initiative with a dedicated senior leader so we can compete with other regions and organize for joint action
- Spurring small and midsize business commercialization through connections to existing military innovation and financing assets and programs, similar to successes in similar regions
- Addressing policy issues related to infrastructure expansion and industry incentives at Mojave Air and Space Port
- Pursuing a deliberate intrastate space strategy with other aerospace hubs to ensure competitiveness
- Uniting East Kern with Palmdale/Lancaster to create scale and visibility as a globally-competitive aerospace region

Advanced Manufacturing

Leveraging strengths in existing sectors to grow advanced manufacturing subclusters in chemicals, plastic, metalworking, machinery and food

- Exploring and responding to the specific acceleration needs of manufacturing firms, especially those with middle-market expansion opportunities
- Using our favorable infrastructure, land use and location strengths to attract businesses to expand or relocate