

The available labor supply within the local community from which any new industrial activity can draw its work force is characterized by an unusually large proportion of skilled and semi-skilled workers. Present employment in the local community as well as the region is at a low level with a considerable labor surplus, including an adequate reserve of female labor. The potential for industrial growth is therefore not limited by any lack of labor, and the present surplus should be considered as a positive factor in the measure of potential for industrial growth.

Services, including water, sewerage, gas, electric power, transportation and communications also appear adequate for a number of small plants, though a single large industry might tax the water and sewer resources. The water supply, however, can be expanded at relatively small expense. In most cases the sewerage system would have to be extended to serve new industries and it must be assumed that a new sewage treatment plant will be built within a few years, so there appears to be little problem in these services. Gas and electric power is available in nearly any reasonable quantity, and expansion of these services would require little effort on the part of the community. Transportation facilities are excellent, and consist of railroads, highways and the canal, all oriented generally in the east-west directions leading to the major centers of population of the State and consequently the major markets as well. The Thruway interchange at Herkimer is of particular importance and raises the industrial potential considerably. Air transport facilities are considered to be below the level desired, primarily from the viewpoint of access and ground travel time. While the potential is reduced because of this, air transport is considered relatively minor as compared with other means of transportation.

The Mohawk Valley area is characterized by generally rough topography which severely limits the large flat land areas desired for the larger industrial plants. There are, however, many somewhat smaller sites throughout the area, that are admirably suited for industrial purposes. It is desirable, from the standpoint of the industrial base of the local community, to encourage a variety of small plants rather than a few large ones, so that dependence upon any one industrial plant or type of industry is kept to a minimum. There are several areas presently covered with obsolete buildings. These may be removed to provide excellent new plant sites. Utility services would probably have to be extended to serve other industrial sites in the Town and Village of Herkimer, but this would not seem to be an insurmountable problem. Therefore, there appears to be adequate land available for the size of plants desired and for those most likely to be seeking sites in the area.

Attitudes of the local population and government appear to be excellent. One example is the growth of organizations devoted to encouraging development throughout the valley. Citizen participation could probably be improved, given stimulation, but on the other hand there is no apparent negative attitude on the part of local citizens. Attitudes, therefore, are not considered to be limiting industrial potential.

All of the above factors indicate a high industrial potential particularly for smaller plants of a light industrial nature where skilled or semi-skilled workers are needed and where truck transport to the major centers of population is desired. The potential for large industrial plants is not considered high, however, as their requirements would be difficult to satisfy at the present time. The estimate of potential must be reduced considerably, however, due to the general level of economic activity throughout the region. Competition for any

new industrial plants is high, and will likely continue at a high level for the years ahead. This presents a negative aspect for the next few years, and probable growth of industry in the Village or Town is correspondingly reduced. Forceful activity on the part of the citizens of the community in the promotion of new plants and the expansion of existing industries could go far in balancing this competition and could produce a considerable improvement during this difficult period. Nonetheless, it will be difficult to realize fully the existing industrial potential until the Mohawk region as a whole improves its over-all economic level, and therefore no rapid change is expected to occur in the Town or Village of Herkimer during the next few years. On the other hand, the potential exists for considerable improvement in the area, and an improvement in the level of economic activity in the nation should show an increase in local activity as well.

Wholesale and Retail Trade Potential

The potential of retail and wholesale trade is directly concerned with the development of the existing industrial base and potential industrial development, simply because people must have income to support a retail function and the wholesale function is in turn dependent upon the retail function. Actually the increases noted in the retail sales for the over-all area are not as large as they seem because of the decreased value of the dollar in its purchasing power, and the increase in the cost of living, during the study period. One measure of the cost of living, and directly related to the retail function, is the Consumer Price Index, which has been steadily increasing since 1947-1949. It has reached new record heights of about 126, compared with the average for the years 1947 to 1949 of 100. Therefore, the indicated decrease in retail

sales for Herkimer of some 7 percent during the period 1954 to 1958 when the Consumer Price Index increased about 7.6 percent actually means a loss in value of sales closer to 12 percent. The indicated gains in retail sales in the other communities of the local community are small increases and in some cases actually losses.

Of more interest here, however, is the relative change in sales volume of Herkimer compared with the other nearby communities. While three of the five individual communities increased their sales by a total of \$3.5 million, Herkimer lost nearly \$1.5 million in sales. This indicates a considerable loss to Herkimer, not because of an area-wide decline in retail sales, but because of particular local causes. One of these causes is probably the general trend toward larger and therefore fewer retail outlets, especially in the category of food markets. However, several other causes are also indicated. For example, parking is difficult during peak periods, as is traffic in the Central Business District. Further, it would seem that merchants have not reinvested in their physical plants to the extent required to keep them from becoming obsolete, particularly from the viewpoint of the public. When the public finds it as easy, and in some cases easier, to shop in other areas where parking is available and where stores are new or at least remodeled, making it more pleasant to shop, the areas that have not kept pace will quite naturally lose out. Another aspect is the way in which the Central Business District in Herkimer has developed with only the east side of Main Street devoted to pedestrian retail uses except for a relatively small portion south of Park Avenue. The sporadic development on the west side of Main Street in general causes a dilution of the desired cumulative effect which should result from the concentration of retail stores in the Central Business District.

Wholesale trade potential is considered to be low, as wholesale trade is more a function of the central city of the economic region. The wholesale trade that does exist in Herkimer should increase to some extent, probably in nearly direct proportion to the increase of retail sales expected, but an increase above this level is highly unlikely.

The loss of sales in Herkimer compared with the increase in sales in all communities of the local community except Frankfort indicates that there is considerable room for improvement in Herkimer retail sales. It is a potential, however, that will be difficult to realize. Most important is the indication that a serious problem exists for the business community of Herkimer, and that it will become increasingly serious unless the merchants themselves, along with the local government, coordinate activities to rebuild and renew; to establish those facilities necessary for retailing today as well as for the future.

Summary

From the preceding it would appear that there is considerable potential for improvement and future development in nearly all sectors of the economy, especially in retail trade, light manufacturing, and recreation. It is also quite apparent that this potential will be difficult and perhaps impossible to realize fully unless all citizens of both the Town and the Village of Herkimer work together and forcefully carry out actions to promote this development.