The first half of 2017 has come and gone, and the region has seen positive improvements. The Manning Passing Academy generated millions for the region, and LED launched the Louisiana Business Connection website. Know that SLEC’s constant focus is to better the region in the coming months.

In June, the Manning Passing Academy was held and deemed successful. The specific impacts of the training camp will be released in the near future. Until then, know that 83.6% of campers and their families opted to stay 4 nights in Houma-Thibodaux area hotels which ultimately leads to increases in businesses in the area.

Jobs are growing with an increase of 785 new jobs in the region. In a May over January comparison, there was an 1,131 job increase. In January, 14 new projects with the state promise 285 jobs to the region.

In April, I attended the Statewide Economic Development Summit. The summit’s purpose was to bring together all ED operations across the State to develop better communications and practices, and this particular summit sought to create business incentive programs that were targeted for change by the legislature. In the end, legislative attempts to change programs and communicate concerns to legislators in each respective region.

LED launched the Louisiana Business Connection website. The software program allows smaller to medium sized companies to post their company product or services on the site. Companies in the bayou region will not only have business opportunities in our region, but in other parts of the state as well.

Our organization remains committed to the region and will continue to work through this economic downturn to ensure our businesses can both develop and grow.

Respectfully,

Vic Lafont
President, CEO
SLEC
WHAT’S HAPPENING
IN THE BAYOU REGION?

Nicholls, Region Host Manning Passing Academy

3,889 guests were associated with the camp, not counting spectators

According to the results of a SLEC survey completed by 30% of campers attending the Manning Passing Academy (MPA), they came from 42 States, Mexico and Canada. In all, 83.6% stayed 4 nights in Houma-Thibodaux area hotels resulting in a windfall for many businesses in the region. Fifteen percent stayed in New Orleans. The impact of the annual training camp will be in the millions of dollars as in previous years. The MPA, held in June on Nicholls campus, had 1,178 campers who brought 2,568 family members and friends with them. Another 143 visitors to the area included coaches. Fifty-nine percent of campers drove to Thibodaux and 41% flew. Specific economic impacts of the MPA will be released by SLEC in the coming months.

Although seasonally unadjusted employment throughout the region is 5,090 below last year’s numbers, an increase of 1,131 jobs in May over January is promising. However, recent dips in the price of oil despite an increase in the number of working rigs remains troubling. The announcements of LNG projects along the Gulf Coast continue to be the only bright spot in the energy sector. In other industry news, Metal Shark won a $54 million contract for Near Coastal Patrol Boats. Bollinger Shipyards was awarded for the 12th consecutive year the Award for Excellence in Safety by the Safety Shipbuilders Council of America for the lowest recordable incident rate. And, 14 projects have filed advance notifications with the State since January for $18 million in new projects that will create 285 jobs within the region.

Parish over the year employment changes from May 2016 to May 2017 were as follows: Assumption Parish down 79 jobs at 8,355; Lafourche down 1,802 at 39,168; St. Mary down 1,159 at 18,898, and; Terrebonne down, 2,050 at 44,214. Crude oil prices continue a roller coaster ride slowing recovery. Europe Brent Crude Spot Price FOB reached a high this year of $55.94 per barrel in February but was trading at $44.09 on June 26th. West Texas Intermediate was at $43.24 on June 26th. Most experts predict oil will settle to $40 per barrel by mid-2018. BP’s Gulf platforms are key to a global strategy calling for up to $17 billion in annual investments through 2021 to increase production by about 5 percent each year.

Agriculture. Mexico’s illegal dumping of cheap, subsidized sugar may be ending, but will the new agreement with the U.S. be enough to stop the nearly $2 billion in losses to U.S. operations? The Morning Advocate reports that many in the industry feel additional concessions will be necessary to ensure stability. Under the current agreement, the price of raw sugar must be sold at the mill in Mexico from 22.25 cents to 23 cents per pound, and the percent of refined sugar that may be imported dropped from 53% to 30%. Louisiana accounts for roughly 17 percent of the domestic sugar market.

THE FAST FACTS
OF QUARTER 2

1. May’s regional employment was 110,594; up 1,131 from January, but down 64 from April.
2. The Houma-Thibodaux MSA not seasonally adjusted unemployment rate in March was 6.0%; down .4% from April.
3. The seasonally unadjusted unemployment rate for Louisiana in May was 5.5%, the nation’s rate was 4.1%.
4. Louisiana’s Rotary Rig count, June 26th was 67 up 26 over the past year.
5. Thirty buildings and 45 sites are listed for sale or lease on the Bayou Region database: http://www.louisianasiteselection.com/bayouregion/Buildings-and-Sites.aspx
SLEC sponsored and participated in statewide economic development summit with the other seven (7) regional EDOs held April 11th in Baton Rouge. On July 18th, decision makers from high growth companies convened for a CEO Roundtable to engage peer to peer discussions about the development of their respective businesses. SLEC with LED will launch a website to help small companies connect with larger companies to participate in big projects. The site will offer assistance to small companies in ensuring that they have the proper licensing, permits and insurance coverage. Small business can now connect with State agency bids at www.bidnetdirect.com/louisiana. The Louisiana Economic Outlook, co-hosted with SLEC by Coastal Commerce Bank will present of Dr. Loren Scott’s annual economic forecast report on oil and gas sector for 2018-19 on October 12. SLEC will be partnering with the Nicholls College of Business to help facilitate and enhance student recruitment and job placement. And, SLEC will be assisting SCPDD with promoting and soliciting state funds for the proposed North/South corridor highway. The project is entering Phase 2, right-of-way development.

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**VISUALIZING THE INFORMATION OF QUARTER 2 CONT.**

**CHART 3**

*Louisiana Rig Count up 60.4% over past year, U.S. up 116.3%*

Baker Hughes through 7/7/2017

**CHART 4**

*Louisiana Rig Count up 18 from beginning of year led by land based operations*

Baker Hughes through 7/7/2017

**CHART 5**

*First purchase price for Louisiana crude oil up 37.5% over last year, price of natural gas up too*

Source: EIA