

**Survey
of
Manufacturing Businesses**

**Conducted in partnership
with
The City of Gardena, California
November 2001**

**by
USC Center for Economic Development
School of Policy, Planning, and Development**

TABLE OF CONTENTS

EXECUTIVE SUMMARY	2
SURVEY RESULTS	3
PROFILE OF MANUFACTURING BUSINESSES	3
FIGURE 1: PROFILE OF BUSINESSES BY INDUSTRIAL TYPE	3
FIGURE 2: FREQUENCY OF FIRMS BY NUMBER OF EMPLOYEES	4
FIGURE 3: YEAR THAT EACH MANUFACTURING BUSINESSES STARTED IN GARDENA	5
FIGURE 4: PROFILE OF MANUFACTURERS BY INDUSTRY	5
BUSINESS CONDITIONS REPORTED	6
BUSINESS ENVIRONMENT IN THE CITY	6
AREAS FOR IMPROVEMENT	7
<i>Relocation Outreach</i>	8
<i>Consulting and Technical Assistance</i>	8
<i>Visual Improvements</i>	9
<i>Availability of Trained Employees</i>	9
ASSISTANCE REQUESTED	9
APPENDICES	10
APPENDIX I: BUSINESSES UNSURE ABOUT RELOCATION.....	10
APPENDIX II: BUSINESSES THAT REQUESTED CONTACT	10
APPENDIX III: POWERPOINT PRESENTATION	10

Executive Summary

The survey, conducted by the City of Gardena and the University of Southern California's Center for Economic Development between May and September 2001, generated a limited profile of the manufacturing business in the City of Gardena. Included in the profile is information on business conditions, the local business environment, and recommendations for improvement.

Two hundred seventy-three (273) businesses participated in the survey for a sixty-two percent (62%) response rate. This high response rate was achieved through duplicate mailings and phone calls that followed up on the mailed surveys. Manufacturing represents one of the largest industries in the City of Gardena and manufacturing firms are among the highest revenue producing businesses in the City.

Overall, the manufacturing firms reported stable sales, realizing no significant net growth or decline. Of the businesses that responded to the survey, however, sixty-five percent (65%) expect an increase in sales, fifty-seven percent (57%) expect an increase in customers, and forty-five (45%) expect an increase in employment and product line or service over the next three years.

Of those manufacturing businesses that are considering relocation, an equal number are considering relocating outside of the City of Gardena as are considering relocating within the City. Of the issues raised, areas for improvement include crime (specifically property crime), power outages, street and road conditions, and the permitting process and associated costs.

To address these concerns, the City of Gardena should expand its role as a facilitator by promoting the exchange of information useful to manufacturing businesses. Specifically, a series of outreach and information exchange programs should be launched to address relocation concerns, crime reduction, visual improvements, and the availability of technical assistance and trained employees.

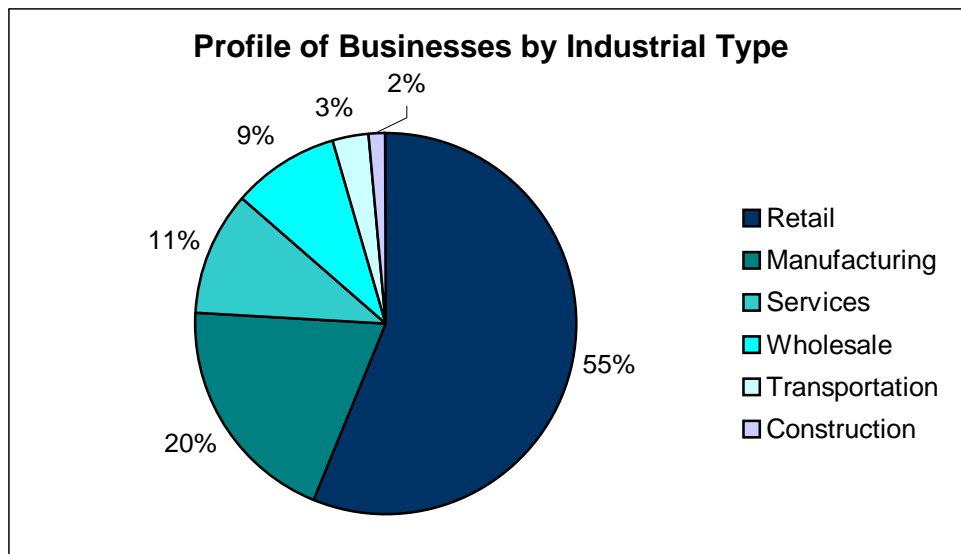
Survey Results

Four hundred thirty-nine (439) businesses were sent a two-page survey designed to help the City’s outreach program assist local firms. The survey period was May – September 2001. The survey was sent out twice followed by phone calls to each of the recipients; two hundred seventy three (273) responded. The overall response rate was sixty-two percent (62%).

Profile of Manufacturing Businesses

An earlier survey conducted by the City of Gardena and the USC Center for Economic Development revealed that twenty percent (20%) of the top revenue generating businesses in the City of Gardena are manufacturing firms. (Figure 1)

Figure 1: Profile of Businesses by Industrial Type

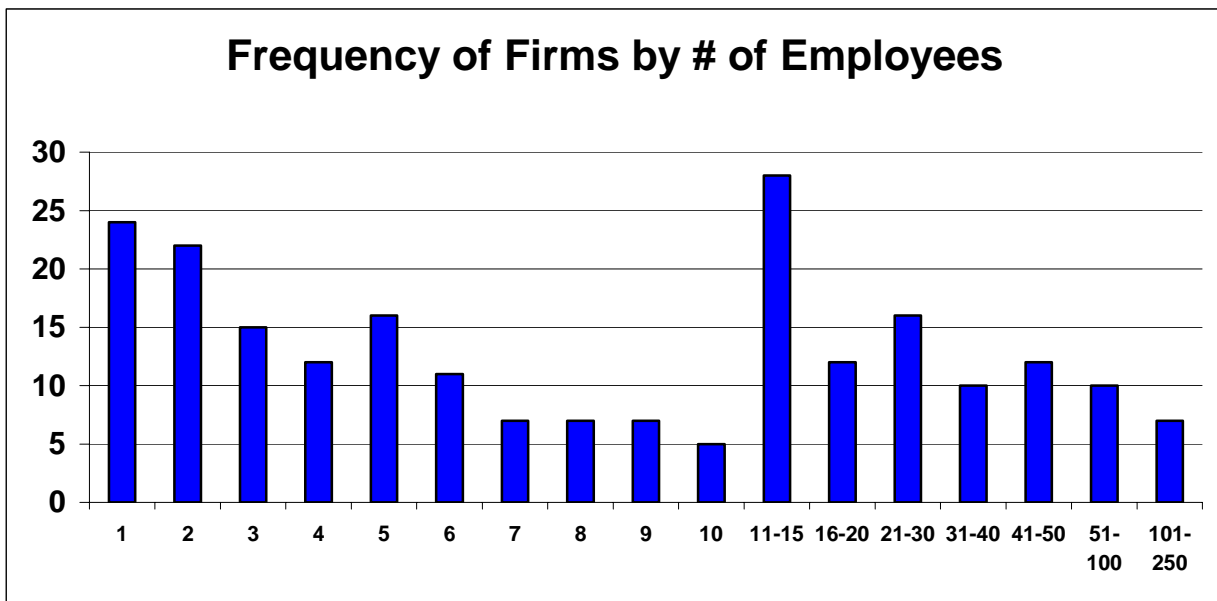


The gender and minority ownership demographics of the surveyed manufacturing businesses show that seventy-nine (29%) are minority-owned and thirty-two (13%) are owned by women. Minority ownership in the City of Gardena is relatively low when compared to Los Angeles County minority ownership at forty-seven (47%) for manufacturing establishments.¹

¹ U.S. Department of Labor, Bureau of Statistics.
U.S. Department of Commerce, Bureau of Statistics, 1987 and 1992 Census of Manufacturing and 1997 Economic Census.

The manufacturing industry in the City of Gardena employed over 4,000 people in 2001. The maximum number of employees for a manufacturing business is two hundred fifty (250) and the minimum is one (1). (Figure 2) The median number of employees per business is eight (8), which is consistent with Los Angeles County where the median is between 8 and 9.

Figure 2: Frequency of Firms by Number of Employees



Another aspect of the business profile relates to whether the businesses own or rent the site of their business. Of those that responded to this survey question, twenty-four percent (24%) own, thirty-seven percent (37%) lease, and twenty-two percent (22%) rent the site of their business. This has implications for retention and longevity within the City of Gardena. Some of the businesses surveyed have been in continuous operation in the City of Gardena for over sixty years. Obviously these businesses have found an environment that is not only conducive to business, but at some level, beneficial. (Figure 3)

Additional breakdown of the survey data reveals the largest portion of manufacturers in the City of Gardena to be producers of industrial and/or commercial machinery, followed in descending order by fabricated metal, textiles, lumber, miscellaneous manufacturing, transportation equipment, printing and publishing, and chemicals.

Figure 3: Year that each Manufacturing Businesses Started in Gardena

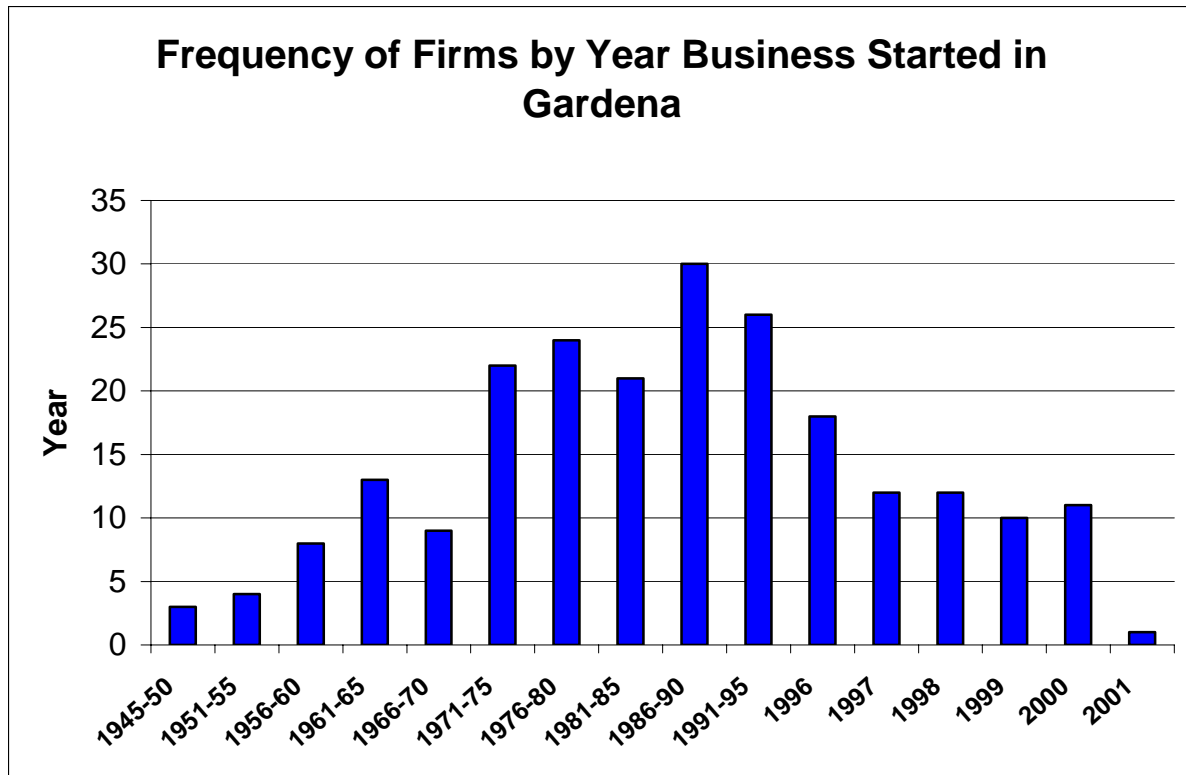
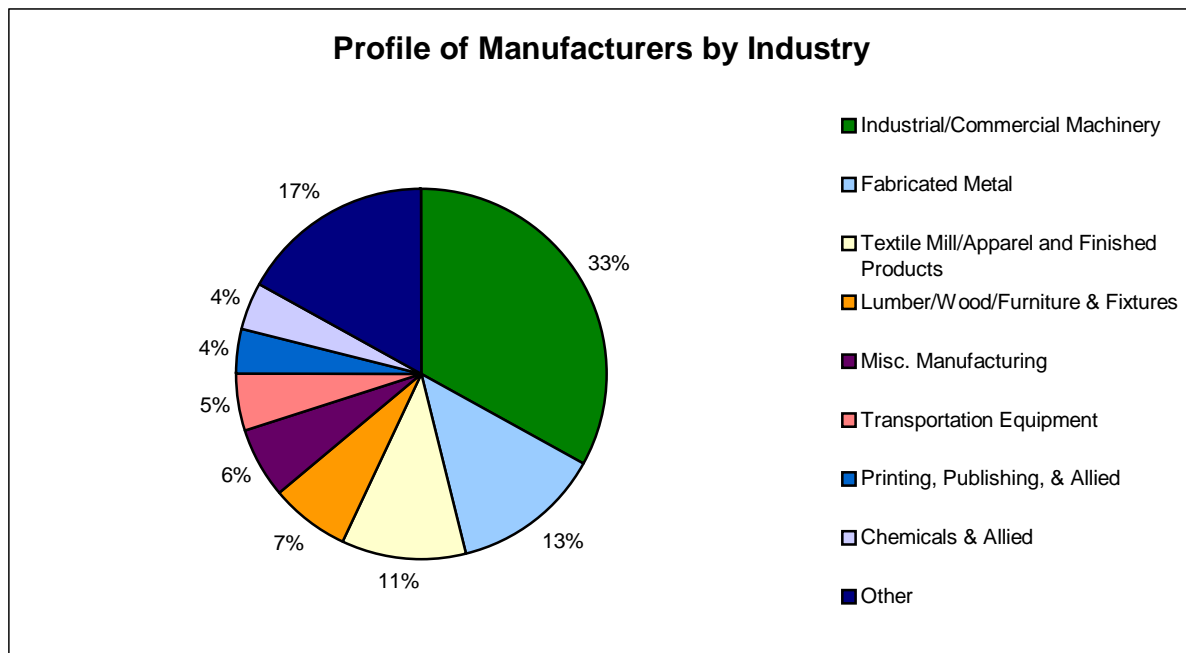


Figure 4: Profile of Manufacturers by Industry



Business Conditions Reported

The business conditions investigated by this survey included intentions to expand, sales trends, and whether businesses are considering relocating. Of those businesses that chose to respond to the question asking if business has increased, declined, or remained the same since 1998, twenty-five percent (25%) indicated that business has improved, twenty-seven percent (27%) indicated that business has declined, and thirty percent (30%) indicated that business has remained stable. This is significant as most of the businesses surveyed expect an ongoing increase in sales, customers, employee numbers, and product lines or services over the next three years despite little historical evidence to support this possibility. In fact, sixty-five percent (65%) of those surveyed said they expect business sales to increase and fifty-seven percent (57%) expect an increase in customers.

In a similar vein, six percent (6%) of those who responded to questions about relocation indicated that they were considering relocating outside of the City of Gardena, an additional six percent (6%) were considering relocating inside the City, and fifty-three percent (53%) were not considering relocating. Of particular importance are the fifteen percent (15%) that responded to the question on relocation with “not sure where,” since they may be influenced by City outreach.

Of particular importance are those firms that would like to expand but have physical barriers that preclude this at their current location. Twenty-one of the businesses surveyed are facing this dilemma and only fourteen percent (14%) of these businesses are looking to locate outside of Gardena. Twenty-nine percent (29%) are unsure of a future location and that same number would like to relocate within the City. These two groups account for roughly sixty percent (60%) of those businesses actively trying to expand. Outreach may be especially effective in influencing their future relocation choices.

Business Environment in the City

The businesses surveyed were also asked to comment on the business environment in the City of Gardena. This section included questions about the strengths and weaknesses of doing business in the city, whether they would choose to locate in the city if they were currently selecting a location for business and what, if anything, Gardena could do to improve the well-being of their business.

Thirty-seven percent (37%) of the respondents indicated that location was a key strength of doing business in Gardena. Proximity to the freeway, customers, and other industries were considered to be key positive features of the city. Another nine percent (9%) listed good employee availability and low costs as an incentive for businesses in Gardena. Five percent (5%) listed low crime as a benefit.

Other positive comments provided by the respondents focused on easy access to major freeway systems, low commute times for employees, proximity to labor markets and multiple vendors, infrastructure conducive to industries, and “pro-business” character of the City government. Forty-six percent of the respondents had no comment when asked about major strengths of doing business in Gardena.

On the other side, seventy-five percent (75%) had nothing to say about weaknesses of doing business in Gardena. Ten percent (10%) view crime as a major deterrent to doing business in the area. Seven percent (7%) view the decline of the area, loss of customers, and lack of trained workers as a weakness of doing business in Gardena. Three percent (3%) indicated that City Customer Service was an issue, three percent (3%) said cost was an issue, and two percent (2%) said that traffic and congestion was a weakness of doing business in the City of Gardena.

More focused comments provided by the respondents focused on property crime risks and graffiti, declining attractiveness of the City, difficulty recruiting eligible employees, length of time it takes to get plans approved, high cost of utilities, and land use policies that allow for industrial uses and residential-mobile home parks to mingle.

Overall, eighteen percent (18%) of those surveyed would choose not to locate in the City of Gardena if presented with the choice today. The key reasons given for this decision were to increase safety, to lower costs, to increase customers, and to have a better location.

Areas for Improvement

Key areas for improvement identified by this survey:

- ❖ Relocation Outreach
- ❖ Crime Reduction (specifically property crime)
- ❖ Consultation and Technical Assistance
- ❖ Visual Improvement
- ❖ Availability of Trained Workers

The City of Gardena should expand its role as a facilitator by promoting the exchange of information useful to manufacturing businesses.

Relocation Outreach

Recommendations for improvement include meeting with business that are considering relocating to determine if their needs can be met by another location within the city. The twenty-one (21) businesses that indicated some interest in relocating should be contacted to discover the specifics and offer assistance. The businesses to address initially are the three (3) employers that are planning on relocating outside Gardena (Group A); two (2) lease space and the other owns their space. Although their leases don't expire for over a year, they may be interested in expanding and in the meantime new developments could be designed to suit their needs if appropriate. Second, the six (6) businesses that are unsure about their relocation plans (Group B), followed by the six (6) that want to relocate within Gardena (Group C). The last six (6) businesses (Group D) have an expectation of needing more space but are not considering relocation yet and indicated that they have physical limitations on expanding at their present site. (Appendix I)

Crime Reduction

Suggestions for the reduction of crime include the development of a seminar aimed at educating business owners and managers on crime prevention measures. A strategy should be developed that includes input from both law enforcement and business owners to combat specific problems. A rebate program with the utility company servicing the area should be investigated on behalf of those businesses that install motion sensitive exterior lights. The city should also research the feasibility of an Industrial Business Improvement District to fund security planning and implementation.

Consulting and Technical Assistance

The City should provide technical information to interested parties on business financing, manufacturing, and technology consulting services in the City of Gardena. Focused information on organization and management, e-business opportunities, energy conservation, lean

manufacturing, product design services, and quality system implementation should be made available to businesses operating in the City of Gardena.

Visual Improvements

To address concerns about the visual decline of the area, the public works department should consider developing a plan that addresses ways of repairing street, sidewalks, and other infrastructure needing repairs. The City should also prepare a feasibility study for a façade rejuvenation program that includes power washing or paint and offers other graffiti deterring schemes.

Availability of Trained Employees

To increase awareness of available trained employees, a brochure should be printed and distributed on the local Workforce Training Investment Board and the services this organization offers to local businesses. Businesses that are concerned over workforce recruitment should be contacted with information specifically targeted to address their concerns.

Assistance Requested

The survey asked businesses if they were interested in obtaining manufacturing and technology consulting services. A total of twenty (7.3%) businesses said they'd be interested. The most popular consulting services are organization & management, energy conservation, and e-business, each just over five percent (5%). The other consulting services of interest are lean manufacturing, product development, and quality system implementation.

Fifty-five (20.1%) of those surveyed said they'd like assistance in obtaining financing. The survey also asked if they were interested in speaking with the Economic Development staff of the City. Twenty-eight (28) businesses requested such a meeting.

Appendices

APPENDIX I: Businesses Unsure about Relocation

APPENDIX II: Businesses That Requested Contact

APPENDIX III: PowerPoint Presentation

APPENDIX I: Businesses Unsure about Relocation

PATRICK DEVINE
V.P.
C R LAURENCE MANUFACTURING
1334 132ND STREET
GARDENA, CA 90248

Group A

Phone: (310)515-2289

Fax:

SIC Code: 3229

Employees: 140

Tenure: Leases Current Site

Lease Expiration Date: 1/2003

Plans for Relocation: Outside of Gardena

How can we improve your business?:

LEONARD E. ROBERTS SR.
OWNER
RAMEC ENGINEERING INC
1736 W 130 ST
GARDENA, CA 90249

Group A

Phone: (310)532-2573

Fax:

SIC Code: 3499

Employees: 3

Tenure: Owns Current Site

Lease Expiration Date:

Plans for Relocation: Outside of Gardena

How can we improve your business?:

PAUL GALIS
SR. VICE PRES
SOUTH BAY ENGINEERING INC
13200 S WESTERN AVE
Gardena, CA 90249

Group A

Phone: (310)366-3399
Fax: (310)366-6921

SIC Code: 2434
Employees:
Tenure: Leases Current Site
Lease Expiration Date: 8/2005
Plans for Relocation: Outside of Gardena

How can we improve your business?:

STEVE RICE
OWNER
AUTHENTIC FOODS
1850 W 169 ST B
GARDENA, CA 90247

Group B

Phone: (310)366-7612
Fax:

SIC Code: 2045
Employees: 2
Tenure: Leases Current Site
Lease Expiration Date: 2/2002
Plans for Relocation: Not Sure

How can we improve your business?:

DANIEL BRUMER
OWNER
CALIFORNIA TERRARIUMS
1335 W 134 ST
GARDENA, CA 90247

Group B

Phone: (310)532-7266
Fax:

SIC Code: 3231
Employees: 10
Tenure: Leases Current Site
Lease Expiration Date:
Plans for Relocation: Not Sure

How can we improve your business?:

MARY STANFORD
OFFICE MGR
G & L BRAZING CO
1355 W 134 ST
GARDENA, CA 90249

Group B

Phone: (310)532-2698
Fax: (310)532-6287

SIC Code: 2899
Employees: 1
Tenure: Leases Current Site
Lease Expiration Date: 02/2002
Plans for Relocation: Not Sure

How can we improve your business?:

JAY
MARKETING
GREEN BIO LAB CORPORATION
13210 HALLDALE AVE
Gardena, CA 90249

Group B

Phone: (310)324-1100
Fax: (310)324-3854

SIC Code: 2844
Employees: 2
Tenure: Leases Current Site
Lease Expiration Date: 9/2001
Plans for Relocation: Not Sure

How can we improve your business?:

NORMAN C. BAYLEY
OWNER
COMPOSITE TOOL CO INC
13600 S GRAMERCY PL
GARDENA, CA 90249

Group B

Phone: (310)538-9898
Fax: (310)538-5104

SIC Code: 3545
Employees: 10
Tenure: Leases Current Site
Lease Expiration Date:
Plans for Relocation:

How can we improve your business?:

GWEN RAWLINS
OFFICE MANAGER
MORETTI'S DESIGN COLLECTION INC
1618 W ROSECRANS AVE
GARDENA, CA 90249

Group B

Phone: (310)532-3311
Fax: (310)532-3364

SIC Code: 2499
Employees: 26
Tenure: Rents the site Monthly
Lease Expiration Date:
Plans for Relocation:

How can we improve your business?:

LOUIS A. PINEDA
OWNER
ABC DESIGN/ABC EMBROIDERY
17850 S WESTERN AVE
GARDENA, CA 90248

Group C

Phone: (310)769-1888
Fax: (310)769-1888

SIC Code: 3789
Employees: 3
Tenure: Leases Current Site
Lease Expiration Date: 8/2001
Plans for Relocation: Within Gardena

How can we improve your business?:

JIM CONLEY
PRESIDENT
ADVANCED FOAM INC
1745 W 134 ST
GARDENA, CA 90249

Group C

Phone: (310)515-0617
Fax: (310)515-0617

SIC Code: 3069
Employees: 35
Tenure: Leases Current Site
Lease Expiration Date: 12/1/02
Plans for Relocation: Within Gardena

How can we improve your business?:

JUN LIM
PRESIDENT
CHEMHAUS INC
13629 S ALMA AVE
GARDENA, CA 90249

Group C

Phone: (310)329-2555
Fax: (310)329-2299

SIC Code: 3537
Employees: 8
Tenure: Rents the site Monthly
Lease Expiration Date:
Plans for Relocation: Within Gardena

How can we improve your business?:

LILLY ALYAREZ
GENERAL MANAGER
CUSTOM METAL FINISHING
17804 S WESTERN AVE
GARDENA, CA 90247

Group C

Phone: (310)532-5075

Fax:

SIC Code: 3559

Employees: 35

Tenure: Leases Current Site

Lease Expiration Date: 4/02

Plans for Relocation: Within Gardena

How can we improve your business?:

SAHAR HAIDAR
OWNER
HI TECH LASER AND WELDING COMPANY
17000 S WESTERN AVE # 9
GARDENA, CA 90247

Group C

Phone: (310)528-8986

Fax:

SIC Code: 3479

Employees: 0

Tenure: Rents the site Monthly

Lease Expiration Date:

Plans for Relocation: Within Gardena

How can we improve your business?:

EDITH ESPEJO
SECRETARY
HURLINGHAM CO
1516 W 132 ST
GARDENA, CA 90249

Group C

Phone: (310)538-0236
Fax: 310-538-4436

SIC Code: 2434
Employees: 45
Tenure: Owns Current Site
Lease Expiration Date:
Plans for Relocation: Within Gardena

How can we improve your business?:

STEVE STANTON
OWNER
I WAS FRAMED INC
1435 W 139TH ST
GARDENA, CA 90249

Group D

Phone: (310)327-6265
Fax:

SIC Code: 2675
Employees: 50
Tenure: Owns Current Site
Lease Expiration Date:
Plans for Relocation: No Consideration of Relocating

How can we improve your business?:

HAROLD F. JOHNSON
PRESIDENT
JOHNSON OPTICAL LAB INC
1826 W 169 ST
GARDENA, CA 90247

Group D

Phone: (310)327-3051
Fax:

SIC Code: 3827
Employees: 25
Tenure: Owns Current Site
Lease Expiration Date:
Plans for Relocation: No Consideration of Relocating

How can we improve your business?:

DAVE NORTON
OWNER
LANCAST ALUMINUM INC
1604 W 139 ST
GARDENA, CA 90249

Group D

Phone: (310)532-7068
Fax: 310-532-0260

SIC Code: 3365
Employees: 0
Tenure: Leases Current Site
Lease Expiration Date: 09/15/2001
Plans for Relocation: No Consideration of Relocating

How can we improve your business?:

ALLAN G. STRATFORD
OWNER
MARTIN/BRATTRUD INC
1224 W 132 ST
GARDENA, CA 90249

Group D

Phone: (213)770-4171
Fax:

SIC Code: 2599
Employees: 100
Tenure: Owns Current Site
Lease Expiration Date:
Plans for Relocation: No Consideration of Relocating

How can we improve your business?:

PAT MASON
PRESIDENT
N C ENGINEERING INC
13439 S BUDLONG AVE
GARDENA, CA 90247

Group D

Phone: (310)532-4810
Fax:

SIC Code: 3861
Employees: 14
Tenure: Owns Current Site
Lease Expiration Date:
Plans for Relocation: No Consideration of Relocating

How can we improve your business?:

GEORGE KETTEL
PRESIDENT
TRANS LECTRIC CORPORATION
570 WEST. 184TH STREET
GARDENA, CA 90248

Group D

Phone: (310)515-7600
Fax: (310)329-3326

SIC Code: 2819
Employees: 15
Tenure: Owns Current Site
Lease Expiration Date:
Plans for Relocation: No Consideration of Relocating

How can we improve your business?:

APPENDIX II: Businesses That Requested a Meeting

Businesses Requesting Meeting	Follow-up
<p>GARY KANESHIRO, GENERAL MANAGER A PLUS MACHINING INC 1545 W 134 ST # D GARDENA, CA 90249 (310)719-9611</p> <p>WED, 9-10AM</p>	
<p>GONZALO CASTILLO, PRESIDENT ADVANCES COATING & SILKSCREENING INC 1436 W 135 ST GARDENA, CA 90249 (310)538-1004</p> <p>TUES, PM</p>	
<p>JIM CONLEY, PRESIDENT ADVANCED FOAM INC 1745 W 134 ST GARDENA, CA 90249 (310)515-0617</p> <p>TUESDAY, 9AM</p>	
<p>JONAH JIMENOZ, GM HITCO CARBON COMPOSITIES 1600 W 135TH STREET Gardena, CA 90249 (310)527-0700</p>	
<p>DUANE KARONS, PRESIDENT JDR DEVELOPMENT INC 1218 W 134TH STREET APT#2 Gardena, CA 90248 (310)323-8747</p> <p>ANYTIME,</p>	
<p>PAUL GALIS, SR. VICE PRES SOUTH BAY ENGINEERING INC 13200 S WESTERN AVE Gardena, CA 90249 (310)366-3399</p> <p>MON-FRI, 9:00AM -10:00PM</p>	

Businesses Requesting Meeting	Follow-up
<p>CLAUDIA SANCHEZ, GENERAL MANAGER ARVAN INC 14083 S NORMANDIE AVE GARDENA, CA 90249 (310)327-1818</p> <p>WEDNESDAY, 2PM</p>	
<p>SAL NUNEZ, PRESIDENT BEST CARBIDE CUTTING TOOLS (2NDARY) 1492 W 135 ST GARDENA, CA 90249 (310)324-6631</p> <p>M-F, 10-5</p>	
<p>GENE AUSTIN, OWNER AUSTIN MACHINE PRODUCTS CO 17000 S WESTERN AVE STE 19 Gardena, CA 90247 (310)324-5522</p> <p>TUE/THUS, 9:00AM--2:00PM</p>	
<p>DANIEL BRUMER, OWNER CALIFORNIA TERRARIUMS 1335 W 134 ST GARDENA, CA 90247 (310)532-7266</p> <p>M-F, 9-4</p>	
<p>STANLEY L. DUNN, OWNER GOLDENWEST TRADE BINDERY 1243 W 130 ST GARDENA, CA 90247 (310)217-1441</p> <p>MON--FRI, 1:00 PM</p>	
<p>HUNG DANG, OWNER H & D GARMENT 1527 W ROSECRANS AVE GARDENA, CA 90249 (310)715-1880</p>	

Businesses Requesting Meeting	Follow-up
PETE BREUM, PRESIDENT HUD INDUSTRIES INC 2104 W ROSECRANS AVE GARDENA, CA 90249 (310)327-7110 FRIDAY, AM	
JOHN STERN, OWNER JOMAR INDUSTRIES INC 1500 W 139 ST GARDENA, CA 90249 (323)770-0505	
RAY H. JOHNSON, PRESIDENT KALEIDOSCOPE POLISHING 1610 W 132 ST GARDENA, CA 90249 (310)768-3491 MIDWEEK, LATE AM/EARLY PM	
KENNY KAWAKAMI, PRESIDENT KENCOR SPORTS INC 1529 W ROSECRANS AVE GARDENA, CA 90249 (310)532-9977 TUE/THU, 9AM/2PM	
RICHARD BLACK, OWNER L H BLACK & SON 1303 W 130 ST GARDENA, CA 90249	
ANDRE SARAJ, President METCOE SKYLIGHT 1715 W. 135th St. Gardena, CA 90248 (310)354-0030	
GERALD RICHMAN, OWNER MIXPAK INC 2002 W 139 ST GARDENA, CA 90249 (310)327-1120 WED, PM	

Businesses Requesting Meeting	Follow-up
<p>NEIL MASAKO BOISSONNAULT, OWNER N & M ENTERPRISE 1705 W 130 ST GARDENA, CA 90247 (310)516-9781</p> <p>TUESDAY, 3-5PM</p>	
<p>PAT MASON, PRESIDENT N C ENGINEERING INC 13439 S BUDLONG AVE GARDENA, CA 90247 (310)532-4810</p> <p>ANY, 9 AM</p>	
<p>PHILIP J. SICOLA, PRESIDENT PHILIP SICOLA DESIGNS INC 13715 S WESTERN AVE GARDENA, CA 90249</p>	
<p>ARACELI CONTREAS, OWNER SAMS POLISHING 14115 S WESTERN AVE # C GARDENA, CA 90249 (310)324-7777</p>	
<p>ANTHONY SEAMAN, OWNER SEAMAN ENGINEERING AND MANUFACTURING 1617 W ROSECRANS AVE P GARDENA, CA 90249 (310)769-5845</p>	
<p>CARL S EVANS, DIRECTOR OF OPERATIONS SUPERIOR WATER SYSTEMS INC 13529 S NORMANDIE AVE GARDENA, CA 90249 (310)532-0470</p> <p>TUESDAY , WEDNESDAY, A.M.</p>	

Businesses Requesting Meeting	Follow-up
GEORGE KETTEL, PRESIDENT TRANS LECTRIC CORPORATION 570 WEST. 184TH STREET GARDENA, CA 90248 (310)515-7600 CALL SEPT,1, 2001,	
JUN LIM, PRESIDENT CHEMHAUS INC 13629 S ALMA AVE GARDENA, CA 90249 (310)329-2555 MONDAY, PM	
SHELLEY COOPER, PRESIDENT COSMETIC IDEAS INC 1341 W 130 ST GARDENA, CA 90247	