The Chesapeake Group, Inc.
Building A Foundation For The Future

Downtown Elkton Market & Implementation Strategy Analysis

March, 2003

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Introduction

The Town of Elkton, in cooperation with the Alliance, has embarked on an aggressive program to create a vibrant, sustainable downtown area through many activities over the years. The following represents a detailed market assessment of both the opportunities for retail and office activity in the Central Business District (CBD) or downtown of Elkton.

This market analysis and program was prepared by The Chesapeake Group, Inc. (TCG). The Chesapeake Group is a Baltimore-based economic development consulting firm, with extensive experience with analyses of and implementation for sustainable enhancement and revitalization of communities throughout Maryland and the rest of the country.

The analysis that follows is based on primary and secondary information. Significant survey work was conducted as part of this analysis. This included:

✓ Individual face-to-face interviews were held with various interests in the area.

✓ A business survey of existing operators.

✓ A survey of patrons of downtown, conducted on-street.

✓ A telephone survey of area residents.

Specific data on spending patterns, which are the premise of the forecasting of demand for retail goods and services were obtained through the telephone survey. That survey consisted of interviews with resident households in Cecil and Harford Counties in Maryland and New Castle County in Delaware. Additional information on spending, needs, and desires was obtained through the on-street patron survey.

The analysis tends to employ assumptions that reduce estimates of supportable space whenever possible in order to avoid suggestions for new business activity that would be marginally marketable. Thus, the estimates are considered conservative.

The estimates represent only TCG's opinions based on the presented information and experience. While the estimates for new activity are conservative, the suggestions made from those estimates are based only on marketability. Success of any individual or collection of businesses is dependent upon many other issues as well. These include, but are not limited to marketing practices, financial feasibility, and management practices.

The analysis indicates market opportunities exist for:

✓ A collection of independent food vendors, such as bakeries, fresh produce dealers, and fresh poultry dealers In a "market" atmosphere and setting, under one roof. About 15,000 to 20,000 square feet of such space could develop.

- ✓ Several food service (restaurant) establishments of between 15,000 to 20,000 square feet. The restaurants are expected to be a combination of family oriented price and range restaurants, with an entertainment venue in at least one. That entertainment could be in the form of commercial recreation or sports.
- ✓ Additional retail opportunities identified include wedding related activity and electronics operations.
- ✓ Between 30,000 to 60,000 square feet of additional office space

Also the document that includes a strategic implementation program that is not limited to a marketing program to assist with opportunities.

It is also noted that in the implementation program and elsewhere, names of specific businesses are mentioned. This should neither be interpreted as an endorsement by The Chesapeake Group of those entities nor an endorsement or interest in Elkton by the named operations.

Issues

Initial activity associated with the market analysis for downtown Elkton involved a review of existing plans and reports, area reconnaissance and inventorying, as well as face-to-face interviews with individuals defined as stakeholders or critical actors. Through these processes, issues impacting market conditions, marketing and planning for the Central Business District are defined. The following is a synopsis of both the salient information and issues associated with the noted processes.

Retail Space

Elkton's Downtown Revitalization Plan states on page 10, "The economy of Elkton is increasingly becoming an office or service sector economy. The retail heart of Elkton is dying." As part of this Plan, the Downtown Elkton Revitalization Committee surveyed members of the business community and found that over 25% of the responding businesses were classified as retail merchants. Today, retail establishments within Elkton's Central Business District account for 10% of all downtown businesses and 9% of all occupied commercial space. The following contains a breakdown of the space in the downtown as of November, 2002.

Elkton CBD Commercial Inventory*

	Number	%	SF	%	%
All Properties	197	100	720,069	100	-
Vacant	13	6.5	76,450	10.6	-
Occupied	184		643,619		
By Use		% of Uses	SF	All Occupied	Excluding Hospital
Union Hospital	1		278,859	43%	-
Health Services	32	18%	65,000	10%	18%
Retail	18	10%	60,000	9%	16%
Legal	36	19%	49,000	8%	13%
Professional & Business Services	36	19%	46,000	7%	13%
Financial Institutions	5	3%	19,500	3%	5%
F.I.R.E.**	18	10%	24,500	4%	7%
Personal Services	15	8%	29,000	5%	8%
Eating & Drinking	6	3%	16,400	2.5%	5%
Auto	4	2%	8,400	1%	2%
Recreation, Amusement	2	1%	29,000	5%	8%
Contracting/Construction	3	2%	8,400	1%	2%
Education	2	1%	2,500	0.5%	1%
Other	6	4%	7,000	1%	2%

*Developed by The Chesapeake Group, Inc., 2002.
* Finance, Insurance, Real Estate

Retail operations may rank second in terms of square footage behind health services, but it must be noted that they are disbursed throughout the CBD rather than concentrated. Their respective locations combined with their variety are not presently conducive to synergism, or the sharing of patrons. Examples follow.

✓ Three of the larger retail operations are located away from the core of Main Street; American Home and Hardware (20,000 SF), NAPA Auto Parts (8,200 SF) and the Thrift Shop of Union Hospital (6,000 SF).

✓ Main Street (East of Bridge St.) is home to 11 retail businesses (out of 103 businesses) accounting for roughly 19,000 SF.

Downtown retailers, along with personal services and eating/drinking establishments, are disjointed in a variety of other important ways:

✓ There are no consistent hours or even days of operation. One simply does not know when "Downtown Elkton" is going to be open. Some merchants are not open at 10 A.M. Some close their doors at 3 P.M., while others maintain evening hours. Some businesses are open on Saturdays, while others are not.

✓ Perhaps as a result of the simple shortage of merchants, there does not appear to be any sort of common promotional or marketing endeavors.

✓ A number of downtown merchants seem willing to "accept business as usual". They are content with their existing customer base – long-time clients or downtown employees. They fail to reach out to or even welcome new residents, employees, professionals and visitors.

✓ Important properties are underutilized.

Vacancies

✓ Attracting new businesses to Town obviously involves providing adequate space. In the CBD this includes vacant and under utilized buildings along with properties that would be described as strategic, based upon their size, location and potential availability.

✓ The inventory identified 13 vacant buildings totaling just over 76,000 square feet. Vacant properties on Main Street include:

- 114 W. Main St., 4,000 square feet.
- 156 W. Main St., approximately 2,300 square feet of upstairs office space.
- 166 W. Main St., approximately 1,400 square feet.
- 106 E. Main St., 26,000 square feet, the Main Street Renaissance building.
- 114 E. Main St., approximately 1,000 square feet.
- 130 E. Main St., approximately 600 square feet, former Williams Bakery.

There are 4 vacancies along North Street, 3 of which appear available:

- 207 North, 4,850 square feet.
- 208 North St., approximately 1,200 square feet, the former 20/20 Optical store.
- 215 North St., 11,000 square feet under renovation for Partners In Women's Health.
- Corner of North & High Streets, roughly 1,800 square feet, a former bank facility.

There is a 2,800 square foot vacancy on Cathedral Street next to the current Partners In Women's Health. This office use will double in size when Partners moves to its new location.

There are two substantial vacancies, side by side, on Bridge Street on the edge of the CBD:

- 13,000 square feet (3 floors), a former bank building at Bridge and High Streets.
- Roughly 6,500 square feet in the 100 block of Bridge Street that used to house Anchor Pontiac Buick.

The available sites offering the best opportunities on Main Street are the new Main Street Renaissance building along with the 4,000 square foot vacancy at 114 West Main. The larger North Street vacancy (4,850 square feet) along with the Bridge Street properties could serve as sites for a variety of retail, entertainment or eating and drinking establishments.

There are also several strategically sized and located properties, which if reused to a fuller potential, could augment the revitalization of Downtown. Clearly, the North Street Hotel holds an important location but it is substantially underutilized, with perhaps about one-fourth of its space in use. There are also Main Street storefront locations and establishments that seem to possess greater potential.

✓ A significant proportion of the upper floors, of commercial uses, along West Main Street and sections of East Main Street are vacant, while a number of the older buildings in the area referred to as "Attorney Row" on East Main Street have been converted to multi-family residential units. There were a number of complaints through the surveys and interviews regarding the condition of the converted units along Attorney Row, and there is evidence of neglect and disrepair on a number of properties.

Residential

There are particular issues related to the reuse of upstairs for apartments on Main Street including:

✓ In 2000, there were 2,298 occupied rental units in Elkton (51.7% of all occupied units). The average monthly rent was only $596. The rental vacancy rate was 6.4%.

✓ The relatively low rents and vacancy rates coupled with the rehabilitation costs and building code requirements do not serve as incentives for the development of upper floor housing.

✓ It is also likely that the introduction of renters within the downtown may exacerbate the on-street parking situation unless adequate steps are taken.

Marketing

The surveys and interviews generated a number of suggestions for Elkton's CBD. Below please find relevant suggestions and salient comments about these suggestions.

✓ This is a fairly common notion that Main Street, Elkton should emulate Main Street, North East and redevelop in the "Shops at Londonshire" mode, focused on crafts and specialty stores. While there may indeed, be uses in North East that would be entirely appropriate for Downtown Elkton, it should be understood that the two areas, especially the respective traffic patterns, are very different. Elkton is not and should not attempt to duplicate or "be like" any other area.

There are currently 4 establishments within the CBD that can be considered as boutique, crafts or specialty stores and they are disbursed throughout the area. Two are on Main Street (Timeless Tiffany, and Picture It Framed), one is on North Street (Country Splendor Collectible), and one is located on Bridge Street (The Little Shoppe). In other words, there is no concentration of such uses in Elkton.

There are currently a limited number of vacant Main Street storefronts (excluding the Newberry's site) that would lend themselves to specialty stores, two on West Main and two on East Main. They total approximately 7,000 square feet.

The final comment regarding craft and specialty stores relates to the fact that the area's property owners, landlords, managers and developers do not seem to share the desire for craft or specialty store tenants. The current trend is to seek health care and business and professional services as tenants. Potential rents are important factors in the ownerships' attitude.

✓ In addition to facilities at the pharmacy, the hospital and the bowling alley, there are four eating and drinking places within the CBD. None would be classified as "fine dining". The lack of establishments is not conducive to attracting professionals, both employees and visitors, to the Downtown. A new establishment, The Renaissance, is scheduled to open in December but it appears that they will focus upon lunch trade and banquet services.

✓ The caliber of the eating establishments is related to a number of factors including an obvious shortage of evening trade. An examination of the patronage in downtown, after working hours, revealed an almost total lack of office, medical or professional patronage.

✓ Elkton's reputation as the "marrying place" is real and it attracts visitors to the Town whether it is to get married at the lone private facility or the courthouse. It seems as though, however, that the marriage parties come into Town for the ceremonies and then simply leave. This reputation and activity may represent opportunities for new and expanded commercial ventures.

✓ History is another of the Town's significant assets. In recent years the Historical Society has conducted a number of successful events (tours, story telling, etc.) that may clearly benefit the Town on, at least, a promotional level.

Lineage

- ✓ Elkton's Downtown Revitalization Plan argues that "the make-up of downtown Elkton retail has predominately been individual proprietorships which often lead to the closing of the business upon retirement of the owner." This dynamic has probably already reduced the number of downtown retailers. The interviews indicated that at least one downtown business, "Stanley's Newsstand", closed upon the owner's retirement.

  While, as will be reported further in the analysis, only a limited number of older business owners reported that they had not identified someone to take over the business, it should be remembered that there simply are not that many retailers operating in downtown and the loss of just a few would be significant. Additionally, several of the more prominent Main Street retailers and personal services establishments are operated by individuals at or near retirement age.

Parking & Vehicular Conflicts

- ✓ It is common knowledge and easily observed that prime on-street parking spaces on and around Main Street are regularly used by individuals other than patrons. These individuals include business owners and operators, employees, other downtown workers and upstairs tenants.

- ✓ There is a lack of on-street handicapped parking. A few of the remaining retailers and personal service establishments rely heavily on a long-time customer base. Some of these customers are elderly and are discouraged from frequenting the downtown merchants because of the parking situation.

- ✓ It was observed that some downtown visitors intent on using the Courts or other public agencies will sometimes use on-street parking spaces on West Main Street or East Main in the area of North Street and then walk east on Main Street.

- ✓ Off-street parking is not well utilized at present. The lots are often uninviting and unattractive, with poor directional signage for potential users.

- ✓ Large trucks, 18 wheelers, still attempt to turn left from North Street in order to head East on Main Street. The new streetscape layout does not easily allow such movements.

- ✓ Loading and unloading in front of establishments creates both vehicular and potentially pedestrian conflicts.

Business Survey

As identified, there are three surveys that were conducted as part of this market analysis to generate critical information and a new data base not found elsewhere. One of those was a survey of current business operations within downtown Elkton.

Over a three-day period in August, 2002, business surveys were distributed to over 150 establishments located within the designated boundaries of Elkton's Central Business District. The hand delivered package included a cover letter from the Mayor, the survey form and a stamped self-addressed envelope. The survey of existing businesses provides essential information for the development of a business retention strategy. The following is a synopsis of the survey.

Sample Characteristics

About two-thirds (66%) of the individuals completing the survey were the owners of the establishments while 23% were managers. The remaining 11% classified as "others" included Administrative Assistant, President, Vice President, Legal Secretary, Branch Administrator, Director of Public Relations, and Clinical Supervisor.

Table 1 – Respondent's Position*

Position	%
Owner	66
Manager	23
Other	11
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

The managers and other employees have been employed by the business for periods of time ranging from one year to longer than twenty years. As shown in Table 2, a majority of 62% of the employees have been with the establishment for ten years or more. On average, the employees have worked for the area businesses for almost thirteen and one-half years.

Table 2 – Managers' Tenure with Business*

Tenure	%
1 To 2 Years	11
3 To 4 Years	4
5 To 9 Years	23
10 To 19 Years	27
20 Years Or More	35
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

As shown in Table 3, over three-quarters (78%) of the respondent employees have held their current position for a minimum of five years. On average, the employees completing the survey have held their employment position for approximately twelve years.

Table 3 – Employees Have Held Current Position*

Tenure in Current Position	%
1 To 2 Years	11
3 To 4 Years	11
5 To 9 Years	35
10 To 19 Years	12
20 Years Or More	31
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

While not generally recognized as a major factor in the closure of businesses in established downtowns and communities, many business establishments in fact shut down not as a result of market factors, but because they are independently owned and operated and the owner retires or is unable to operate the business any longer. There is no succession plans or "lineage" for the establishment. No other family member is available or chooses to continue the operation. Thus, age is an important factor in assessing the potential for reinvestment in a commercial community. As shown in Table 4 and the illustration to the right, only 15% of the owners are sixty years of age or older. However, there are an additional 44% between fifty and fifty-nine.

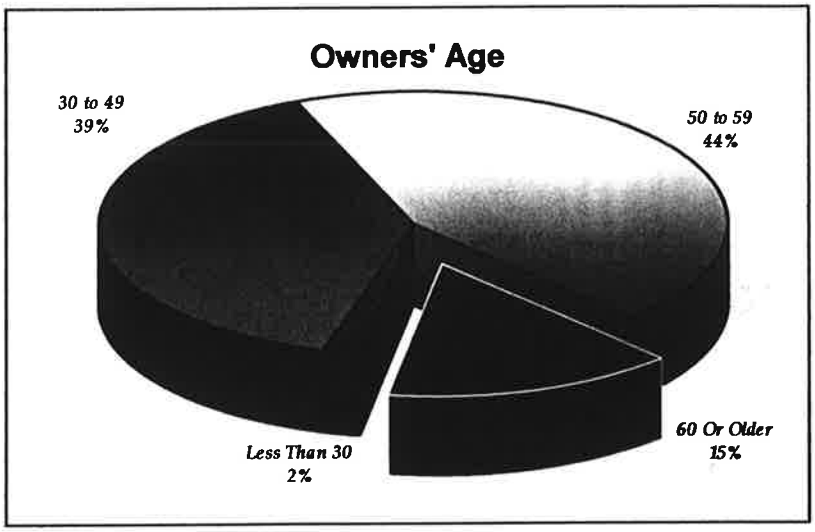


Table 4 – Owners' Age*

Owners' Age	%
Less Than 30	2
30 To 49	39
50 To 59	44
60 Or Older	15
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

For those sixty years or older that are most likely to be closest to retirement age, the survey inquired whether or not those owners have identified an individual to take over and continue the business upon their retirement. Three-quarters or 75% of the owners, at or nearing retirement age, have identified such an individual while only 12% have definitely not.

Table 5 – For Those 60 or Over, Has A Future Operator Been Identified*

Identified Future Operator	%
Yes	75
Uncertain	13
No	12
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

As shown in Table 6, there are many businesses that have been located in Elkton's downtown for many years indicative of a certain amount of stability. Roughly two-thirds (66%) of the responding businesses have been located in Elkton's CBD for ten years or longer. A number of businesses noted that they have been located in downtown for a period of time considerably longer than even twenty years. In fact, one business indicated that it had been in the community for 78 years. It is conservatively estimated that the typical business has been serving the community on an average of over thirteen years.

Table 6 – Length of Time Located in Downtown Elkton*

Length	%
Less Than 1 Year	6
1 To 2 Years	7
3 To 4 Years	7
5 To 9 Years	14
10 To 19 Years	24
20 Years Or More	42
Total	100

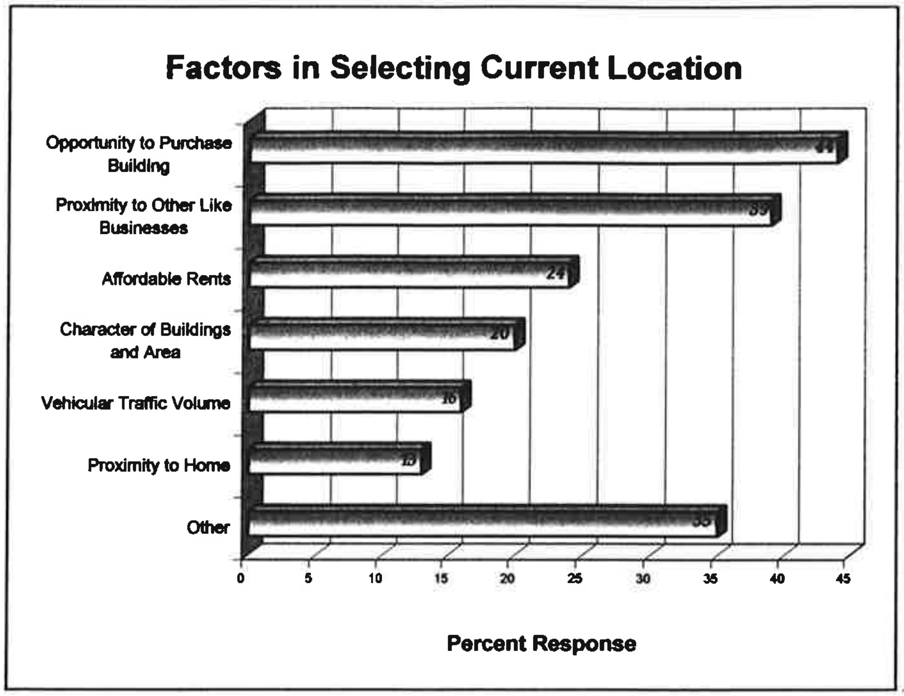
*Developed by The Chesapeake Group, Inc., 2002.

There is a significant correlation between tenure in the area and the amount of time at the current location. The implication is that there has been a relatively small or infrequent movement of businesses from one location to another from the time the business opened until the present day. Only about one-fourth (28%) of the businesses have been operating at their current location for a period of time of less than five years. Conversely, 72% of the businesses have been at their current location for longer than five years, with the average tenure being approximately eleven and one-half years or very close to the tenure of businesses operating downtown.

Table 7 – Length of Time Located at This Specific Location*

Length	%
Less Than 1 Year	8
1 To 2 Years	13
3 To 4 Years	7
5 To 9 Years	24
10 To 19 Years	11
20 Years Or More	37
Total	100

*Developed by The Chesapeake Group, Inc., 2002.



For those businesses with lesser tenure, significant consideration was given to a host of factors in selecting downtown Elkton as their location as conveyed in Table 8. The consideration most frequently identified was the opportunity to purchase the property. Those respondents who identified the location's proximity to other like businesses include those law offices and medical facilities that selected their locations, in part, due to its location relative to either the courts or the hospital complex.

Table 8 – Primary Factors in Selecting Current Location*

Factors	%
Opportunity To Purchase Building	44
Proximity To Other Like Businesses	39
Affordable Rents	24
Character Of Buildings And Area	20
Vehicular Traffic Volume	16
Proximity To Home	13
Pedestrian Traffic Volume	9
Proximity to Specific Residential Areas	9
Image of Area	7
Acquired Property from Family Member	2
Other Reasons	8

*Developed by The Chesapeake Group, Inc., 2002.

Importantly, an overwhelming majority of 89% of business respondents reported that their location had met with their expectations, while 9% expressed disappointment. Those businesses that expressed disappointment cited difficulties related to parking problems and streetscape construction.

Table 9 – Location Met Expectations*

Met Expectations	%
Yes	89
Uncertain	2
No	9
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

A majority of 55% of the businesses completing the survey owned the building that housed their establishment while 45% rented the property. The size of the operations ranged from a small office of 110 square feet to 20,000 square feet. The average size of the surveyed businesses was approximately 2,500 square feet.

Table 10 – Own or Rent*

Own or Rent	%
Own	55
Rent	45
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

While 55% own their buildings, over three-quarters (76%) of the property owners reported that they had no interest in selling their properties. However, the minority of 9% of the property owners with an interest in selling include some strategically located parcels which could represent important reinvestment and improvement opportunities.

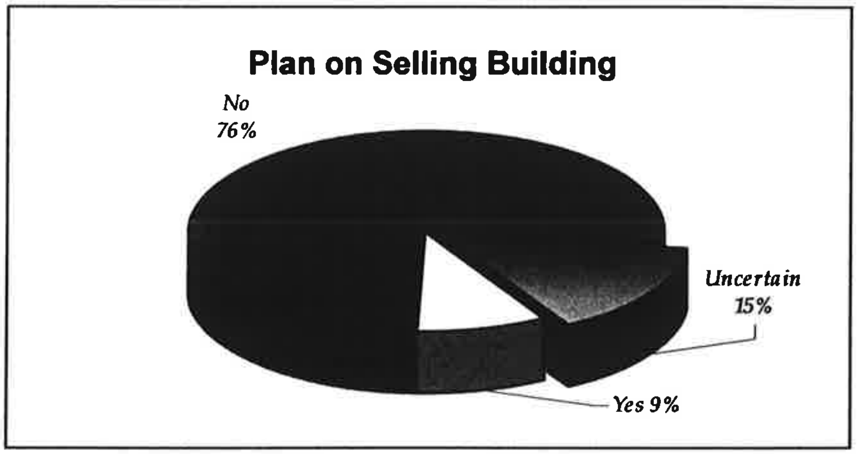


Table 11 - Plan on Selling Building*

Sell Building	%
Yes	9
Uncertain	15
No	76
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

Based upon the CBD inventory, it is estimated that roughly 73% of all properties and establishments within the downtown area are service oriented businesses. It is further estimated that 50% of these service oriented businesses are either legal or medical in nature. Approximately 20% of the CBD properties are actually retail in character. The remaining 7% are classified as other or vacant.

Thus and as might be expected, the most prominent types of business responding to the survey were non-medical, professional services followed by medical or healthcare services and facilities. It should be noted that over one-half of the professional services are law offices. The "other" category includes mortgages companies, non-profit associations, retail jewelry stores, advertising professionals and construction related companies.

Table 12 – Nature of the Business*

Type Of Business	%
Professional Service	38
Medical, Healthcare	17
Personal Service	8
Financial Institution	7
Restaurant, Food Service Establishment	6
Real Estate Or Insurance	4
Retail, Gifts, Cards, Or Crafts	3
Retail, Apparel	3
Retail, Auto Service Or Sales	2
Retail/Wholesale, Hardware & Building Supplies	2
Retail, Pharmacy, Drugstore	2
Retail, Consignment Or Antiques	2
Bar or Tavern	1
Other	12

*Developed by The Chesapeake Group, Inc., 2002.

The businesses have employment levels ranging from a single person to more than one hundred employees. As detailed in the Table 13 below, the majority of establishments (62%) represent small businesses with three to ten employees. On average, the responding businesses employ 9.3 employees.

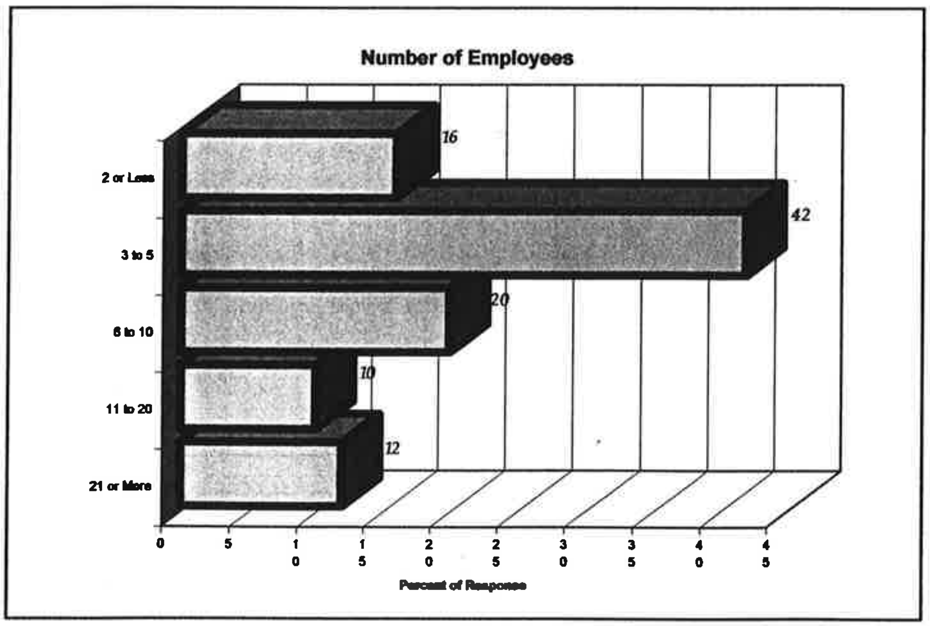


Table 13 – Number of Employees (Including Owner)*

Number Of Employees	%
1	9
2	7
3 To 5	42
6 To 10	20
11 To 20	10
21 To 30	7
31 To 50	3
51 Or More	2
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

All but 1% of the surveyed firms reported having full-time employees. The number of full-time employees per business averaged approximately 7.4 persons.

Table 14 – Number of Full-Time Employees (Including Owner)*

Number Of Full-Time Employees	%
0	1
1	22
2	18
3 To 5	27
6 To 10	13
11 To 20	7
21 To 50	10
51 Or More	2
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

Table 15 – Number of Part-Time Employees*

Number Of Part-Time Employees	%
0	35
1	27
2	17
3 To 5	13
6 To 10	7
11 Or More	1
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

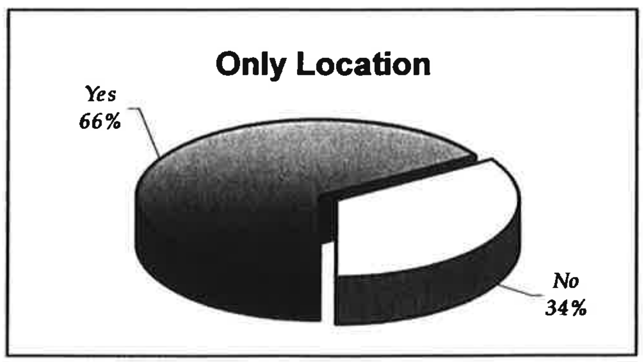
Two-thirds (65%) of the businesses utilize part-time help. Those firms with part-time help maintain an average part-time employment level of 3.3 persons. The breakdown of part-time employment is found in Table 15.

The majority of responding businesses are independently owned and operated. Two-thirds (66%) of the businesses operate out of a single location in Elkton as shown in the following table.

Table 16 – The Business' Only Location *

Only Location	%
Yes	66
No	34
Total	100

*Developed by The Chesapeake Group, Inc., 2002.



One in ten (10%) are part of a national chain or franchise. Another 8% participate in a cooperative or larger buying group.

Table 17 – Part of Coop or Larger Buying Group*

Part Of Coop	%
Yes	8
No	88
Uncertain	4
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

Table 18 – National Franchise or Chain*

National Franchise Or Chain	%
Yes	10
No	88
Uncertain	2
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

Sales or Revenue Trends

In spite of construction and difficult national economic conditions, four of every ten businesses indicated that their Elkton location had generated an increase in sales or revenues over the past two to three years. Only a small proportion of operations (12%) reported a decline, while four in ten (39%) reported that sales had remained relatively stable over the past few years.

Those businesses reporting increased sales most often attributed their success to:

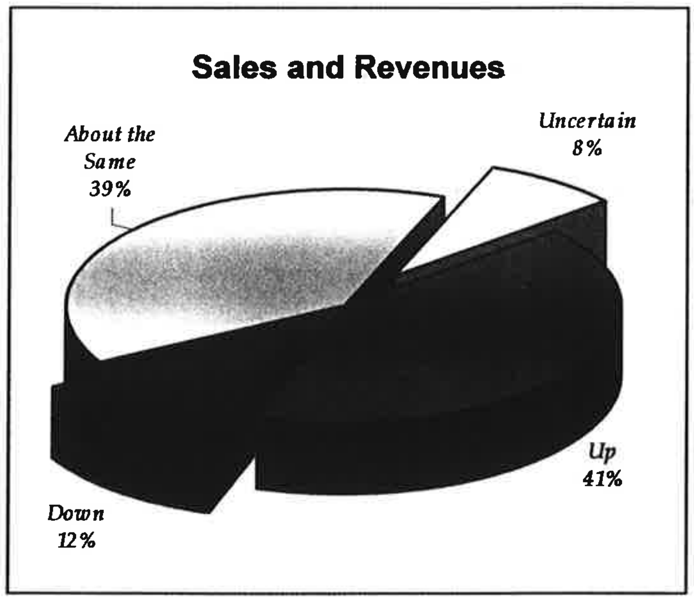
- Increased marketing and advertising efforts.
- Quality customer service.
- A growth of housing and population within the region.
- Market conditions, particularly in relationship to the building and real estate industries.
- The firm's downtown location.
- Improved visibility and competitive pricing.
- Effective business plans requiring the reinvestment of capital.

Those businesses reporting a decline or lack of growth attributed the situation to the economy, the impact of September 11th on travel and tourism, parking problems, traffic congestion, and increased competition.

Table 19– Sales or Revenue Trends Over the Past Two or Three Years*

Sales / Revenues	%
Up	41
Down	12
About The Same	39
Uncertain	8
Total	100

*Developed by The Chesapeake Group, Inc., 2002.



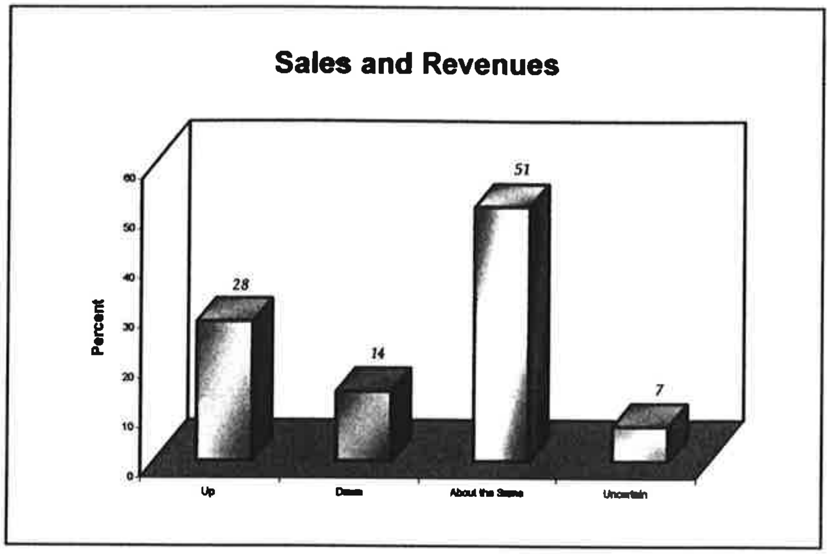
When asked to compare sales or revenue trends over the past few months to the same months in recent years, the majority of businesses (51%) reported that sales and revenue levels had remained basically the same. About one-quarter (28%) reported increases, while 14% indicated that their sales had decreased over the past few months.

A number of those businesses reporting a recent decline in activity were Main Street retailers dependent upon vehicular and pedestrian traffic. As would be expected, the most frequently cited cause for the decline related to streetscape construction, road closures, construction detours and the one-way traffic pattern.

Table 20– Sales or Revenue Trends Over the Few Months*

Sales / Revenues	%
Up	28
Down	14
About The Same	51
Uncertain	7
Total	100

*Developed by The Chesapeake Group, Inc., 2002.



Attitudes & Opinions

The survey asked the respondents to describe the most important issues or problems that confront their business operations. Their responses, in order of frequency, are listed below.

- Problems associated with parking, including the perceived shortage of spaces and mismanagement, particularly the use of prime on-street spaces by employees rather than customers.
- Traffic related problems, such as volume and one way street patterns.
- A concern over crime and the sense of security, including drug use, prostitution within certain areas, and loitering.
- The streetscape construction.
- Flooding and the need for flood control.
- The age of some buildings and the need for expensive repairs.
- A shortage of pedestrian oriented amenities and businesses.
- Government fees and taxes.
- Attracting people into downtown.
- The lack of services for out-of-town clients; transportation, lodging and upscale restaurants.

When asked to identify the best aspects of their location and the community the most frequently cited attributes were:

- Convenience, proximity, and accessibility to a wide variety of public and private services including the courts, hospital, County and State offices, banks, the post office, etc.
- The availability of off-street parking.
- Affordable rents.
- The friendly people.
- The downtown's proximity to recreational and historical resources and features.
- Reasonably high traffic volumes.
- Main Street lends itself to a "walkable" and pedestrian friendly area.

- The historical character and tourism potential of the town and area.
- Cecil County's continuing potential for growth.

Respondents were asked to specify changes that they would like to see implemented within the vicinity of their businesses. Their responses in order of priority included:

- Improved downtown parking, including additional spaces, non-metered parking, a new garage, and better enforcement.
- Increased downtown business attraction and development, particularly retail establishment. Several respondents suggested the redevelopment of the Newberry site into retail specialty shops.
- More visible security, more police, fewer vagrants, loitering and drug related activity,
- Two way traffic patterns.
- Capitalize on water resources. (One suggestion involved flooding Eder Park in order to create waterfront property.)
- Improved street and sidewalk maintenance.
- Better public signage.
- A reduction in the amount of high-density, subsidized housing.
- Fewer shelters and halfway houses.
- The completion of the streetscape construction.
- Better restaurants.
- Zoning restrictions on the location of bail bondsman on Main Street.

Specific suggestions on the types of businesses or activities that members of the business community favored were also indicated. Their collective suggestions follow in order of priority.

- New retail establishments, especially those that would be considered high-end, catering to tourists and families, including specialty shops and boutiques. Individual recommendations included; book stores, crafts, a newsstand, antiques, video stores, records and music, pet shops, clothing and sporting goods.
- New restaurants characterized by fine dining.
- Community and promotional events such as festivals and concerts.

The business survey asked the respondents to identify those items, from the list contained in the following table, which would most enhance business activity in downtown Elkton. One-half of the survey respondents identified a desire for more retail operations and parking. Additional and improved restaurant activity was also a priority among the business respondents.

Table 21– Type Of Activity That Would Benefit Business*

Activity	%
More Retail Stores In General	50
More Parking	50
Better Restaurant Activity	41
More Restaurant Activity	38
Better Maintenance of Private Property & Buildings	31
Increased Building Restorations	31
Improvements to Commercial Properties	30
Tax or Infrastructure Incentives	28
More Special Events and Activities	28
Additional Tourist Attractions	26
Change in Character of Residential Areas	24
More Evening Entertainment	22
A More Pedestrian Friendly Environment	22
More or Better Public Amenities, Parks, Landscaping	17
Cooperative/Collective Advertising / Marketing	16
Enhanced Business Organizational Activity	12
Concentration of Offices and Employment	10
Better Cooperation Among Property Owners	10
Improved Water Access or Visibility	10
Affordable Rents for New or Start-Up Businesses	9
More Professional Services	9
More Hotels	7

*Developed by The Chesapeake Group, Inc., 2002.

The survey asked if the business representatives had any ideas or suggestions with regard to how downtown might be effectively marketed and promoted. As shown in Table 22, 19% of the respondents stated that they had specific ideas. The three most commonly suggested themes or promotional concepts revolved around:

- Utilizing the area's history as a marketing tool.
- Placing emphasis on the water resources – "Elkton, Gateway to the Bay".
- Develop a "Main Street" theme that promotes and attracts pedestrian activity.

Table 22 – Have Specific Marketing Ideas for Downtown Elkton*

Have Marketing Ideas	%
Yes	19
No	26
Uncertain	55
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

It is noted that the majority do some form of advertising at this time. More than eight out of ten of the surveyed businesses reported that they promoted their establishment through some type of advertising as shown in Table 23.

Table 23 – Businesses That Advertise*

Advertise	%
Yes	84
No	16
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

The businesses utilized a variety of advertising means, most notably the yellow pages and newspaper publications. It should be noted that a number of professional services, both medical and legal, pointed out that they relied upon referrals as an effective means of "marketing."

Table 24 – Type of Advertising*

Type Of Advertising	%
Yellow Pages	69
Newspapers	43
Magazines or Other Publications	13
Cable Television	13
Business to Business	13
Direct Mail	12
Coupons or Other Incentives	10
Newsletter	8
Radio	6
Electronic, Internet	3
Door to Door, Direct Home Delivery	2
Television	2
Other	14

*Developed by The Chesapeake Group, Inc., 2002.

Table 28 – Would Consider Another Location in Downtown Elkton*

Consider Another Location	%
Yes	54
No	23
Uncertain	23
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

Between one-fourth to one-third (29%) of the businesses expressed an interest in technical or financial assistance designed to encourage and support new investments and improvements. One-fourth (24%) reported uncertainty as to interest.

Table 29– Interested in Financing or Technical Assistance*

Interested	%
Yes	29
No	47
Uncertain	24
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

Finally and irrespective of the type of investment, 17% of the businesses reported that they had definite plans for new investments and improvements within the next year or so.

Table 30 – Have Definite Plans For New Improvements*

Plans	%
Yes	17
No	55
Uncertain	28
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

Comparative Assessment

As part of the market analysis of the Elkton, a comparative assessment was performed as one of two primary analyses used to identify business "gaps" and opportunities. The identified business gaps defined in this process may or may not be appropriate for downtown Elkton because of the nature of operations, scale, or other factors.

Methodology

The comparative analysis requires comparing the larger Cecil County business structure to that associated with communities that are similar. In determining communities for which the comparison can be made, the following criteria was used:

- ✓ The population size and household numbers had to be similar to those associated with Cecil County, since demand for goods and services are ultimately dependent largely upon the size of the market served.
- ✓ There had to be defined towns, cities or population centers of similar scale to Elkton within the larger county jurisdictions.
- ✓ The areas are located on or nearby major bodies of water.
- ✓ Transportation access had to be somewhat similar.

In addition, there were other factors considered including proximity to, but not necessarily dominance, by large scale military facilities

Based on the criteria, seven counties were identified for which the comparison in economic structure of was made. These seven counties are:

Erie County, OH
Craven County, NC
Grand Traverse County, MI
Salem County, NJ
Stafford County, VA
St. Mary's County, MD
Mendocino County, CA

It is noted that all population and household estimates upon which the comparisons are made were derived from the same source, Sales & Marketing Management, for comparison purposes. Also for consistency purposes, one software program was employed to define the business activity which is based on "Yellow Page" listings. Every type of business that exists has an NAICS/SIC code associated with the "industry" in which it is most clearly aligned. In some cases, businesses have multiple NAICS/SIC codes.

For each county, six digit NAICS (North American Industry Classification System) codes, formerly known as SIC (Standard Industrial Classification) codes, were extracted on all businesses within the communities. Information on all businesses associated with NAICS/SIC codes ranging from 017501 (agricultural) to 999999 (non-classified establishments) was extracted.

Those establishments with NAICS/SIC codes of 520000 and greater are typically more appropriate for downtown Elkton. These codes represent the more typical non-industrial, non-agricultural business categories. They include major "industry" classifications, such as:

Hardware & Building Materials
General Merchandise Stores
Food Stores
Automotive Dealers & Service Stations
Apparel & Accessory Stores
Furniture & Home Furnishings
Eating & Drinking Places
Miscellaneous Retail
Depository Financial Institutions
Non-depository Credit Institutions
Security & Commodity Brokers
Insurance Carriers
Insurance Agents, Brokers & Services
Real Estate
Investment Offices
Personal Services
Business Services
Auto Repair Services
Miscellaneous Repair Services
Motion Pictures
Amusement & Recreation Services
Health Services
Legal Services
Educational Services
Museum & Art Galleries
Engineering, Accounting & Management Services

Under-represented Industries

Under-represented "industries" were then defined as those where Cecil County had a lesser number of businesses than at least five other counties. Thus, the number of businesses in Cecil County compared to the other communities was below what might be expected.

It is also noted that in some cases, the differences are great, or no businesses in the under-served categories were identified in Cecil County. Once again, under-representation does not mean that the identified categories of businesses are desirable for downtown Elkton.

The following are the "industries" or businesses identified as being under-represented in Cecil County. About 140 are identified. Highlighted, in gray, are retail operations that are often situated in downtowns. These include

- ✓ Select home furnishings
- ✓ Weddings and other celebrations
- ✓ Electronics

In addition to the retail, there are a significant number of business and personal services identified that also often locate downtown.

NAICS/SIC Code	Type of Business
074201	Veterinarians
078103	Landscape Designers
078206	Lawn & Ground Maintenance
152101	Patio & Deck Builders
152107	Patio Porch & Deck Enclosures
152115	Handyman Services
152118	Mobile Homes – Repairing & Service
154210	Buildings – Metal

NAICS/SIC Code	Type of Business
161106	Asphalt & Asphalt Products
171103	Sheet Metal Work Contractors
171114	Mechanical Contractors
176109	Roofing Contractors
179103	Steel Fabricators
179403	Excavating Contractors
179942	Washers - Pressure
179985	Swimming Pool Coping Plastering & Tiling
274105	Miscellaneous Publishing
367901	Electronic Components NEC
399302	Signs (Manufacturers)
401101	Railroads
411902	Ambulance Service
421205	Delivery Service
421401	Movers
472901	Airline Ticket Agencies
481302	Telephone Communications Services
483201	Radio Stations & Broadcasting Companies
483301	Television Stations & Broadcasting Companies
501309	Automobile Body Shop Equip/Supplies (Wholesale)
502112	Office Furniture & Equip – Dealers (Wholesale)
503202	Marble – Natural (Wholesale)
506302	Power Transmission Equipment (Wholesale)
506304	Security Control Equipment & Systems (Wholesale)
506308	Fire Alarm Systems (Wholesale)
506330	Electrical Equipment & Supplies (Wholesale)
507406	Plumbing Fixture & Supplies (Wholesale)
507804	Refrigerating Equipment – Commercial (Wholesale)
508305	Irrigation Systems & Equipment (Wholesale)
509903	Fire Extinguishers (Wholesale)
509908	Manufacturers – Agents & Representatives
511318	Boxes – Corrugated & Fiber (Wholesale)
514101	Food Products (Wholesale)
514601	Seafood (Wholesale)
514801	Fruits & Vegetables (Wholesale)
521101	Doors – Garage
521107	Windows
523106	Wallpaper & Wall Coverings – Retail
523107	Paint – Retail
526136	Sprinklers – Garden & Lawn – Retail
544101	Candy & Confectionary - Retail
546102	Bakers – Retail
546105	Doughnuts
553106	Automobile Air Conditioning Equipment
553113	Automobile Racing Car Equipment
553114	Automobile Radio & Stereo Systems
553116	Batteries – Storage – Retail
553123	Tire Dealers – Retail
556103	Recreational Vehicles

NAICS/SIC Code	Type of Business
562104	Bridal Shops
563210	Lingerie
569919	Tailors
569932	Alterations - Clothing
571220	Mattresses
571927	Lamps & Lamp Shades – Retail
572201	Microwave Ovens
573101	Antennas
573401	Computer Software
573403	Television & Radio Dealers
573405	Computer Dealers - Used
573501	Records Tapes & Compact Discs – Retail
573602	Video Tapes Discs & Cassettes
593204	Consignments Shops
594115	Skiing Equipment – Retail
594116	Skateboards & Equipment
594141	Bicycles – Dealers
594145	Ammunition
594517	Toys – Retail
594705	Collectibles
594902	Fabric Shop
596201	Vending Machines
599921	Religious Goods
599979	Hearing Aids
599993	Baseball Sports Cards & Memorabilia
614102	Financing
635102	Bonds – Surety & Fidelity
637102	Pension & Profit Sharing Plans
654102	Title Companies
655202	Real Estate Developers
721201	Cleaners
721501	Laundries – Self Service
721602	Drapery & Curtain Cleaners
729908	Formal Wear - Rental
729917	Massage Therapists
729931	Electrolysis
729934	Weight Control Services
729999	Miscellaneous Personal Service NEC
731305	Advertising - Television
732201	Collection Agencies
733403	Copying & Duplicating Service
733603	Graphic Designers
733803	Resume Service
735934	Moving Supplies & Equipment Renting
735949	Contractors – Equipment & Supplies Renting
737311	Web Site Design Service
737401	Data processing Service
737415	Internet Service
737416	Internet Home Page Development Consulting

NAICS/SIC Code	Type of Business
737904	Computers - Networking
738401	Photo Finishing – Retail
738919	Building Inspection Service
738977	Hotel & Motel Reservations
753701	Transmissions – Automobile
753914	Brake Service
763101	Jewelry – Repairing
764109	Upholsterers
764112	Antiques – Repairing & Restoring
769912	Organs – Tuning & Repairing
783201	Theatres
799935	Halls & Auditoriums
799949	Yoga Instruction
799999	Amusement & Recreation NEC
804301	Podiatrists
804902	Hypnotists
802904	Midwives
804925	Speech Pathologists
805904	Retirement Communities & Homes
809907	Health Services
822101	Schools – Universities & Colleges Academic
823111	Special Interest Libraries
832208	Crisis Intervention Service
833108	Government – Job Training/Vocational Rehab Services
839903	Abortion Alternative Organizations
839907	Fund Raising Counselors & Organizations
863101	Labor Organizations
864101	Fraternal Organizations
871111	Engineers – Consulting
872105	Tax Consultants
912101	Government Offices - US
951202	State Government – Conservation Depts.
962101	Federal Government – Transportation Programs

Over-represented Industries

Over-represented "industries" or business categories are defined as those where Cecil County had a greater number of businesses than at least five other counties. Thus, the number of businesses in Cecil County compared to the other communities was above what might be expected. It is also noted that in some cases, the differences are great, or no businesses in the over-represented categories were identified in the other seven counties.

Overrepresentation should not be viewed as a negative. Often over-representation is found in an area where a jurisdiction has a unique niche, natural resource or history. In such cases, further recruitment of the types of businesses in that category may be beneficial.

The following are the businesses identified as being over-represented in Cecil County. Two hundred and twenty-two (222) are identified.

NAICS/SIC Code	Type of Business
019101	Farms
024101	Dairies
074203	Animal Hospitals
075208	Horse Breeders
075209	Horse Training
078207	Topsoil
142901	Stone – Crushed
152103	General Contractors
152112	Home Builders
154213	Building Contractors
161101	Paving Contractors
161102	Road Building Contractors
162901	Pile Driving
162902	Docks (Builders)
171107	Septic Tanks/Systems – Cleaning/Repairing
171117	Air Conditioning Contractors & Systems
172104	Wallpapers & Wall Coverings - Installation
173101	Electric Contractors
174206	Plastering Contractors
175103	Cabinet Makers
175106	Woodworkers
177105	Concrete Contractors
179909	Waterproofing Contractors
239406	Canvas & Related Products
239905	Fabricated Textile Products NEC
241102	Logging
243102	Millwork
245201	Prefab Wood Buildings & Components
271101	Newspaper Publishing & Printing
279102	Typesetting
282101	Plastics Materials & Synthetic Resins
289905	Chemicals & Chemical Preparations NEC
308601	Plastic Form Products
308902	Plastic Products NEC
327301	Ready Mixed Concrete
359903	Industrial & Commercial Machinery NEC
384104	Surgical Medical Instruments/Apparatus
399302	Signs & Advertising Specialties
412101	Taxicabs & Transportation Service
413101	Bus Lines
421303	Trucking – Transportation Brokers
421307	Trucking Heavy - Hauling
421309	Trucking – Motor Freight
421310	Express & Transfer Service
422505	Warehouses-Merchandise & Self Storage

NAICS/SIC Code	Type of Business
449302	Boat Storage
449304	Boat Repairing
449306	Marinas
449901	Surveyors – Marine
458104	Aircraft Servicing & Maintenance
478977	Transportation
481207	Cellular Telephones (Services)
492501	Gas Companies
495302	Garbage Collection
501212	Trailers – Trucks (Wholesale)
501501	Automobile Parts – Used & Rebuilt (Wholesale)
503211	Sand & Gravel (Wholesale)
504712	Hospital Equipment & Supplies (Wholesale)
506312	Wire & Cable - Electric (Wholesale)
506324	Burglar Alarm Systems (Wholesale)
506504	Radio Communication Equipment & Systems (Wholesale)
506505	Radio Paging/Signaling Equipment Systems (Wholesale)
507501	Air Cleaning & Purifying Equipment (Wholesale)
508304	Tractor Dealers (Wholesale)
508310	Farm Equipment (Wholesale)
508442	Printing Equipment (Wholesale)
509118	Swimming Pool Equipment & Supplies (Wholesale)
509202	Fireworks (Wholesale)
509312	Recycling Centers (Wholesale)
509901	Exporters
511308	Packaging Materials (Wholesale)
514105	Grocers (Wholesale)
516925	Cleaning Compounds (Wholesale)
517206	Oils-Fuel (Wholesale)
517208	Gas-Liquefied Petro-Bttld/Bulk (Wholesale)
518101	Beer & Ale (Wholesale)
519102	Farm Supplies (Wholesale)
521126	Building Materials
526101	Lawn & Garden Equipment & Supplies-Retail
526108	Nurserymen
526109	Lawn Mowers
527102	Mobile Homes – Dealers
531102	Department Stores
539901	General Merchandise – Retail
541105	Grocers – Retail
542101	Seafood – Retail
543101	Fruits & Vegetables & Produce – Retail
545101	Dairy Products – Retail
549901	Health & Diet Foods – Retail
549904	Vitamins
551103	Automobile Dealers – Used Cars
552102	Automobile – Antique & Classic

NAICS/SIC Code	Type of Business
554103	Truck Stops & Plazas
555102	Boat Covers Tops & Upholstery
555103	Boat Equipment & Supplies
555104	Boat Dealers
555125	Yacht Brokers
561101	Recreational Vehicles - Equipment/Parts/Service
562101	Women's Apparel – Retail
562105	Boutique Items – Retail
566101	Shoes – Retail
569906	Dressmakers
569909	Wigs, Toupees & Hairpieces
571213	Counter Tops
571216	Furniture Dealers – Retail
571407	Draperies & Curtains – Retail/Custom Made
572202	Appliances-Household-Major Dealers
581203	Ice Cream Parlors
581208	Restaurants
581209	Delicatessens
581223	Banquet Rooms
592102	Liquors – Retail
593202	Antique – Dealers
593215	Junk Dealers
594120	Saddlery & Harness
594133	Fishing Bait
594501	Craft Supplies
594508	Hobby & Model Construction Supplies - Retail
594712	Gift Shops
594713	Gift Baskets & Parcels
599401	News Dealers
599503	Contact Lenses
599927	Picture Frame - Dealers
599931	Factory Outlets
599940	Wedding Supplies & Services
599969	Art Galleries & Dealers
599972	Monuments
599988	Craft Galleries & Dealers
606102	Federally Chartered Credit Unions
616201	Real Estate Loans
628204	Financing Consultants
628205	Financial Planning Consultants
641102	Insurance Adjusters
651201	Shopping Centers & Malls
651501	Mobile Home – Parks & Communities
653108	Real Estate Management
653116	Real Estate Appraisers
653118	Real Estate
654103	Abstractors
701101	Hotels & Motels
701107	Bed & Breakfast Accommodations
703203	Camps

NAICS/SIC Code	Type of Business
703301	Campgrounds
721101	Laundries
723106	Beauty Salons
726103	Funeral Directors
729101	Tax Return Preparation & Filing
729906	Exercise & Physical Fitness Programs
729944	Tanning Salons
731101	Advertising-Agencies & Counselors
734201	Pest Control
734902	Janitor Service
734909	Building Cleaning – Exterior
734910	Snow Removal Service
734922	House Cleaning
735920	Television Rental
735922	Toilets – Portable
736110	Outplacement Consultants
738901	Auctioneers
738984	Water Treatment Equipment Svc & Supplies
751302	Moving Supplies & Equipment
751903	Trailer Renting & Leasing
753301	Mufflers & Exhaust Systems – Engine
753601	Glass Coating & Tinting
753802	Automobile Machine Shop Service
753812	Truck – Repairing & Service
754901	Wrecker Service
754908	Automobile Inspection Stations
754910	Automobile Transports & Drive-Away Co.
762202	Television & Radio – Service & Repair
762304	Air Conditioning Equipment – Repair
762902	Appliances - Household - Major - Repairing
762919	Microwave Ovens – Repairing
762928	Water Softening Equipment Service & Supplies
764105	Office Furniture & Equipment – Repair & Refinish
769203	Welding
769403	Outboard Motors – Repairing
769906	Blacksmiths
769928	Sharpening Service
769941	Tractor Repairing & Service
769957	Lawn Mowers – Sharpening & Repairing
769962	Locks & Locksmiths
769967	Motorcycles & Motor Scooters – Repair & Service
769969	Musical Instruments – Repairing
769985	Bathtubs & Sinks – Repairing & Refinishing
784102	Video Tapes & Discs – Renting & Leasing
799601	Amusement Places
799706	Golf Courses – Private
799944	Karate Judo Jiu-Jitsu & Kung Fu Instruction
799968	Stables
801104	Clinics
804201	Optometrists OD
804918	Physical Therapists

NAICS/SIC Code	Type of Business
804922	Psychologists
805101	Nursing & Convalescent Homes
806202	Hospitals
822298	Junior Colleges & Technical Institutes
823106	Libraries – Public
835101	Child Care Services
839902	Alcoholism Information & Treatment Centers
864102	Veterans' & Military Organizations
864105	Environmental Conservation/Ecological Organizations
866109	Convents & Monasteries
866110	Religious Organizations
871120	Engineers – Environmental
871202	Architects
871301	Surveyors – Land
872102	Accounting & Bookkeeping General Service
873111	Environmental & Ecological Services
873402	Laboratories – Testing
874201	Business Management Consultants
899907	Sculptors
912102	Government Offices – State
921103	County Government – Courts
922102	State Government – Police
922103	Sheriff
922404	Fire Departments
931102	State Government – Finance & Taxation
962102	State Government – Transportation Programs
999977	Nonclassified Establishments

Patron Survey

In order to understand the potential of an area, particularly one where much of the current development is associated with some form of non-residential activity (whether that is retail, service or office), the current function of that area must first be understood. In order to define the current function of Elkton's Central Business District, several surveys were performed. One of the initial surveys completed is an on-street survey of patrons of the commercial establishments located within the designated CBD.

Over the span of three days in August, 2002, patrons were interviewed along East and West Main Street, Railroad Avenue, and Bow, Howard, North and High Streets. Interviews were conducted in front of retail establishments, restaurants, offices, the post office, hospital, government facilities, the farmer's market and at the Wednesday afternoon "Music on Main" event. The survey was designed to generate information on the market or trade areas, basic purposes of the trips to downtown, specific destinations, and perceptions and opinions, or fundamentals of the current use of the business district.

Market Areas

The residence of patrons is the most important factor in defining the market area or areas. One of the pieces of information obtained through the survey was the zip code in which the patrons live. Over eight out of every ten patrons (88%) interviewed were Cecil County residents and 67% reside within zip code 21921. Five percent (5%) of the patrons live in other Maryland counties and 7% came from out of state, the majority of which are from Delaware. The overall information on the zip code area is contained in Table 31.

Table 31 – Home Zip Code*

Zip Code	%
21901	7
21903	3
21904	2
21911	3
21915	1
21917	1
21919	3
21920	1
21921	67
21040 (Edgewood, Harford Co.)	1
21078 (Havre de Grace, Harford Co.)	2
21661 (Rock Hall, Kent Co.)	1
21108 (Millersville, Anne Arundel Co.)	1
19713 (Newark, DE)	2
19803 (Talleyville, DE)	1
19804 (Newport, DE)	1
19702 (Christiana, DE)	1
15904 (Johnstown, PA)	1
75652 (Chapman, TX)	1
Total	100

*Developed By The Chesapeake Group, Inc., 2002.

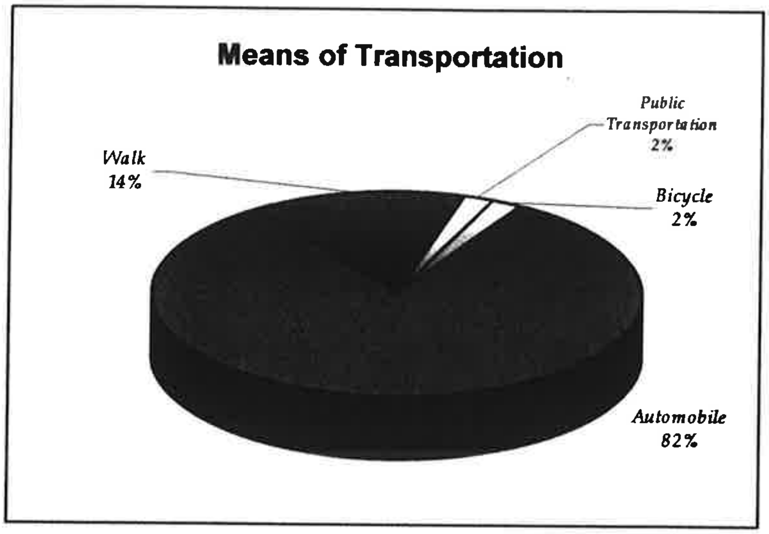
Means of Transportation

The automobile or other private vehicle is dominant in the market. The vast majority of the people interviewed (82%) traveled to the downtown by private vehicle. As a sign of penetration in residential areas that immediately surround the CBD, 14% of the patrons came on foot. The remainder traveled by either public transportation or by bicycle as detailed in Table 32 and the illustration to the right.

Table 32 – Means of Transportation*

Means	%
Automobile	82
Walk	14
Public Transportation	2
Bicycle	2
Total	100

*Developed By The Chesapeake Group, Inc., 2002.



Synergism

In order to be viable, commercial activity within an individual geographical area must attract patrons for a variety of reasons. As presented in Table 33, the largest percentage (36%) of those people interviewed on the street are in the downtown area for employment reasons. The second highest percentage, 20%, indicated that they were visiting one of the varieties of government services situated in the downtown. One in ten (10%) of the patrons were attracted to the concentration of banks and financial institutions and 9% were seeking medical services. Only 8% visited the area for personal services or to eat or drink, respectively. A very small percentage (6%) indicated that they visit the CBD in order to shop. The "other" category includes those people who reside in the area, came downtown to utilize the Post Office, visit family or friends, or to attend the Music on Main concert.

It should be noted that the relative shortage of shoppers was influenced by several factors, at least two of which are temporary in nature. As pointed out in the CBD business survey, retailers articulated that patronage had declined, sometimes as much as 35%, because of the disruption created by streetscape activity. Clearly, the construction activity, including the temporary loss of on-street parking, combined with the unusually high temperatures discouraged a number of people from shopping along Main Street. A third factor influencing patronage is the limited amount of physical space associated with retail activity in the downtown. Again, as reported in the business survey, TCG estimates that approximately 20% of the non-residential properties within the CBD are actually retail in character.

Table 33 – Primary Purpose of Trip*

Primary Purpose	%
Work	36
Government Service	20
Banking	10
Medical Service	9
Personal Service	8
Eat Or Drink	8
Professional Service	8
Shop	6
Other	8

*Developed By The Chesapeake Group, Inc., 2002.

When asked which specific business or entity primarily attracted them to downtown, the survey respondents identified the following in order of frequency:

- The hospital.
- Post Office.
- County government.
- Various retailers including, Colonial Jewelers, TS Paintball & Skateboard, Annie's Alterations, PC Connect, Picture It Framed, Williams Bakery, NUI Elkton Gas, the Farmer's Market, High's, Elkton Florist, and Lyon's Pharmacy.
- Financial institutions.
- Downtown restaurants.
- Professional offices.

In addition to the primary establishment that attracted them downtown, almost two-thirds (63%) of the patrons reported that they would likely visit another business while they were in the area as shown in Table 34 below. Thus, there is a relatively high level of synergism at present.

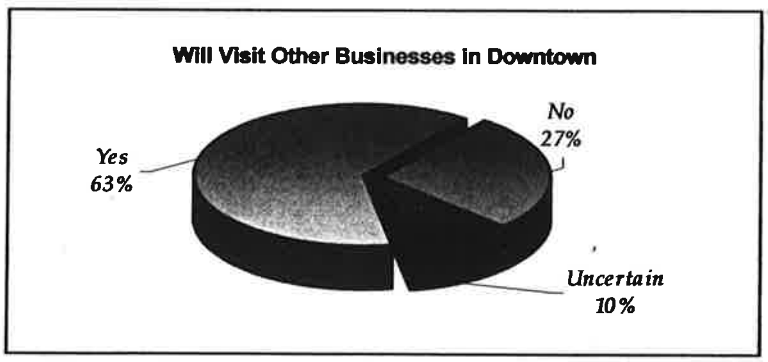


Table 34 – Will Visit Other Businesses in Downtown*

Visit Another Business	%
Yes	63
No	27
Uncertain	10
Total	100

*Developed By The Chesapeake Group, Inc., 2002.

Market Penetration

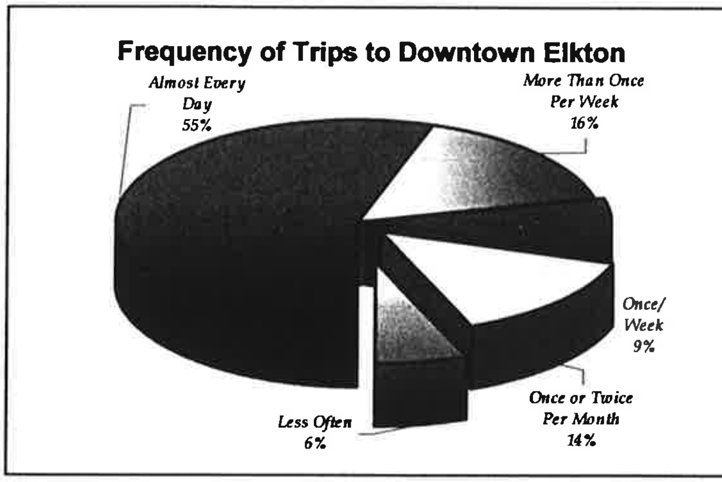
A factor in defining long-term economic viability of a commercial area or composite of commercial activity is market penetration. Market penetration is identified with individuals and households that conduct business in an area with regular frequency.

Over one-half of the patrons (55%) utilize the downtown on almost a daily basis, and 71% visit the area at least once each week. It must be noted that this level of frequency incorporates those individuals who visit the downtown primarily to work although, as shown in Table 35, they are likely to combine other activities with their regular visits.

Table 35 – Frequency of Trips to Downtown Elkton*

Frequency	%
Almost Every Day	55
More Than Once / Week	16
Once / Week	9
Twice / Month	8
Once / Month	6
Less Often	6
Total	**100**

*Developed By The Chesapeake Group, Inc., 2002.



Consistent with earlier data, the interviews revealed that 43% of the patrons were employed within the downtown area. Importantly, a majority of those patrons residing within zip codes outside of Cecil County were employees rather than tourists or visitors. These individuals tended to have employment associated or affiliated with the hospital, the government or a private concern involved in the streetscape improvements.

Table 36– Work or Employed in Downtown*

Work Downtown	%
Yes	43
No	57
Total	100

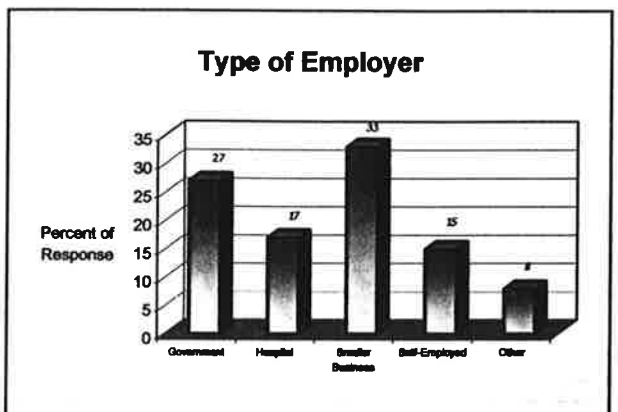
*Developed By The Chesapeake Group, Inc., 2002.

One-third (33%) of those patrons with jobs located downtown worked for smaller service and retail oriented businesses while 27% worked for a governmental entity. Seventeen percent (17%) worked for the hospital and 15% were self-employed.

Table 37 – Type of Downtown Employer*

Employer by Type	%
Government	27
Hospital	17
Smaller Business	33
Self-employed	15
Other	8
Total	100

*Developed By The Chesapeake Group, Inc., 2002.



Commercial Use or Shopping Patterns

Food shopping is a surrogate for general convenience shopping. Patrons identified the store or business that they used most frequently to purchase groceries and related merchandise. The most frequently mentioned store was Acme in the Big Elk Mall followed by the Food Lion on Route 40 in Elkton. Other popular grocery stores included Acme in North East; Food Lion in North East; Acme in Newark, Delaware; Weis' Market in Havre de Grace; Martin's in Rising Sun; Super Fresh in Newark, Delaware; and Dollar Land on Bridge Street.

The patrons also identified any store, business or service that they would like to find in downtown Elkton that is not currently present. While some patrons responded with generalized statements like "more restaurants or boutiques" or suggestions such as "a big shopping mall" or a "Sam's Club or Wal*Mart," the question did generate a number of other suggestions including:

- Dollar Store, Dollar Zone.
- Clothing stores.
- Woman's Clothing.
- Video Store (Blockbuster).
- Book Store.
- Movie Theater.
- Variety Store or "Five and Dime".
- Department Stores.
- Exercise Facilities (yoga, aerobics, Gold's Gym).
- Newsstands.
- Deli.
- Art Stores.
- Sporting Goods.
- Ice Cream Shop.
- Antique Stores.
- Electronics.
- Office Supply.
- A Brewery.

Attitudes & Opinions

Patrons also rendered opinions about their likes and dislikes about the downtown. The most popular elements were:

- The small town ambiance and atmosphere.
- Convenience.
- The current improvements, particularly the streetscape work.
- The historic value and feel along Main Street.
- The friendly people.
- Compactness, everything within walking distance.
- A good variety of shops, restaurants and services.
- Attractive surroundings, cleanliness and not congested.

The area's characteristics that were most disliked were:

- The ongoing construction.
- Parking problems, specifically the "shortage" of spaces.
- Traffic.
- Commercial vacancies.
- The lack of retail variety, shortage of specialty shops.
- Crime in the form of drugs and prostitution.
- A lack of good public transportation.

Demographics & Lifestyle

The survey also provides some base data on the characteristics of the patrons, particularly in terms of household size, age, education and income.

On the average, the patron household consisted of 2.9 members. About two in ten (17%) reside in single-person households, and 30% of the patron households consisted of two members. About two in ten households are relatively large, with 16% comprised of five or more members.

Families with young children tend to have different spending patterns than families with older or no children. Time commitments, incomes and other factors are impacted by young children. About 14% of the patrons reside in households with children the age of six or younger.

Table 38 – Number of People in Household*

Number	%
1	17
2	30
3	22
4	15
5	9
6 Or More	7
Total	100

*Developed By The Chesapeake Group, Inc., 2002.

Table 39 – Whether There Are Any Pre-School Age Household Members*

Households With Children Younger Than Six	%
Yes	14
No	86
Total	100

*Developed By The Chesapeake Group, Inc., 2002.

In addition to the households having young children, 15% of the interviewed patrons reported that they are members of households that did not contain anyone 18 years of age or older who was engaged in full-time employment. Many of these are likely to be composed primarily of seniors that are semi or fully retired. Over one-half (58%) of the patron households contain two or more members who are working on a full-time basis as detailed below.

Table 40 – Over 18 Years Old & Employed Full-Time*

Age	%
0	15
1	27
2	41
3	14
4	2
5	1
Total	100

*Developed By The Chesapeake Group, Inc., 2002

Table 41 – Age of Respondent*

Age	%
Under 21	8
21 To 29	9
30 To 39	15
40 To 49	31
50 To 59	23
60 Or Older	14
Total	100

*Developed By The Chesapeake Group, Inc., 2002.

While all age groups are represented, the largest single grouping consists of those patrons between the age of 40 to 49. A majority of 68% of the interviewed patrons were 40 years old or older. On the average, the typical patron was between 44 and 45 years old.

While some of the younger people interviewed may still be completing their education, the survey revealed that 25% of the respondents held a college degree, and another 35% had completed some college as shown below.

Table 42 – Educational Level of the Respondent *

Educational Level	%
High School Or Less	31
Some College	35
College Degree	16
Post College Courses	2
Advanced Degree	7
Technical Training	9
Total	100

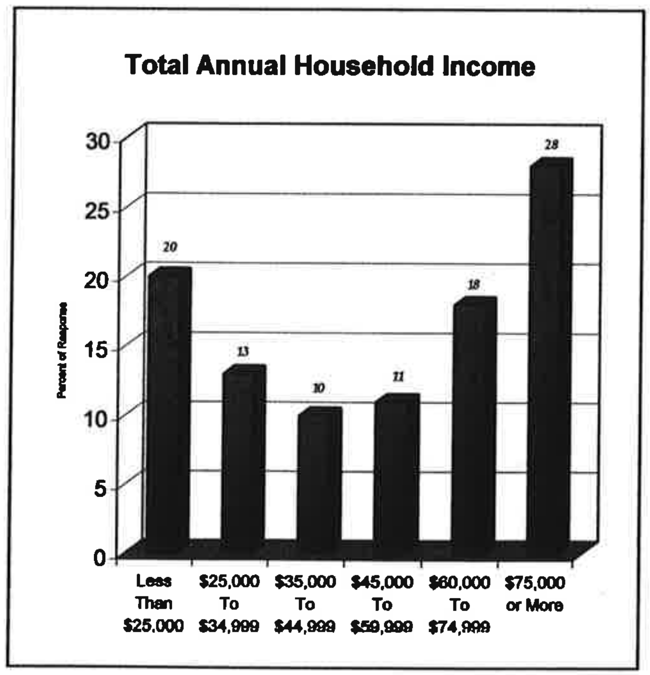
*Developed By The Chesapeake Group, Inc., 2002.

Income has the greatest impact upon a household's ability to purchase various goods and services. While two out of every ten (20%) patrons reported having annual household incomes of less than $25,000, more than one-fourth (28%) reported annual incomes of $75,000 or more. The average annual household income is estimated to be approximately $56,350.

Table 43 – Total Annual Household Income*

Income Category	%
Less Than $15,000	10
$15,000 To $24,999	10
$25,000 To $34,999	13
$35,000 To $44,999	10
$45,000 To $59,999	11
$60,000 To $74,999	18
$75,000 To $99,999	13
$100,000 Or More	15
Total	100

*Developed By The Chesapeake Group, Inc., 2002.



Telephone Survey

The market is the driving force behind economic viability, whether it be commercial or service opportunity. Commercial opportunity is dependent upon the ability of the consumer to make purchases that result in the generation of revenues and sales.

For downtown Elkton, there are two primary sources of revenues and sales. These are residents and visitors, albeit the latter group representing a small proportion of current patronage. Downtown employees fall within the resident category, although potentially within different market areas.

In an effort to understand the market opportunities, a telephone survey of households within the larger county-wide area and areas in neighboring counties in both Maryland and Delaware was conducted as part of this analysis. The following is a synopsis of this survey's findings.

Market Penetration

One of the primary factors in defining long-term economic viability of a commercial area or composite of commercial activity is market penetration. Market penetration is defined by the share of households that conduct business in an area with regular frequency. The telephone survey generated information on how often households generally went out to shop for food or any other retail commodity in general and how often they came to downtown Elkton. As shown in the following table, nine out of ten (90%) of the households surveyed over the telephone went shopping at a frequency of at least once each week.

Table 44 – The Frequency of Shopping Trips*

Frequency of Trips	%
More Than Once / Week	48
About Once / Week	42
Few Times / Month	3
Twice / Month	5
Once / Month	2
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

Slightly over one-half, 55%, of the respondents reported that they or a member of their household visited downtown Elkton in order to shop, eat or drink, obtain professional or medical services or conduct other business, at least occasionally.

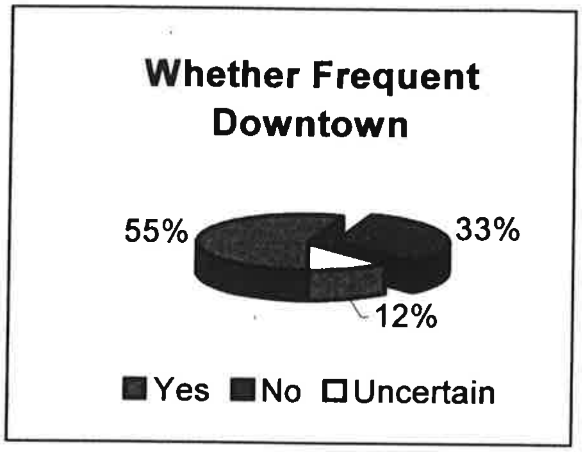


Table 45 – Whether Respondents Make Purchases, Obtain Service or Conduct Business in Downtown Elkton*

Frequent Downtown	%
Yes	55
No	33
Uncertain	12
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

The frequency of shopping trips on the part of households that do utilize downtown Elkton establishments is reasonable. Less than one-half, 49%, of the households that do utilize downtown Elkton establishments visit the CBD with a frequency of at least once each week. Almost one-third (31%) of the households that frequent downtown actually go the area at a rate of once a month or less as detailed below. Thus, penetration levels among current residents of the larger geographic area is at a maximum of 34% for general commercial activity.

Table 46 – The Frequency of Trips to Elkton's CBD*

Frequency of Trips	%
More Than Once / Week	27
About Once / Week	22
Few Times / Month	13
Twice / Month	7
Once / Month	18
Less Often	13
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

Synergism

Viability of most commercial areas is dependent upon synergism, or the sharing of patronage. This entails going to more than one type of business and making multiple "stops" whether within one center or in more than one location and whether by foot or vehicle.

While only about one-third of all households in the overall multi-county area frequent downtown Elkton on a regular basis, those households that do frequent Elkton's Central Business District do so for a variety of reasons.

While the proportion of actual retail downtown relative to all space is relatively small as noted in the survey of businesses, about one-half (48%) visit the area primarily to shop, and 18% go to eat or drink. A significant proportion (46%) visit downtown in order to obtain medical care from either the hospital or one of the numerous public or private healthcare facilities. Two of ten (18%) typically come downtown for the purpose of obtaining some type of professional service, and 14% of the trips involve a visit to one of the several public sector facilities and offices.

Table 47 – Purpose of the Trip*

Purpose	%
Shop	48
Health Care Service	46
Eat /Drink	18
Professional Service	18
Obtain Government Service	14
Personal Service	9
Work	7
Visit Family or Friends	5
Recreation	3
Other	3

*Developed by The Chesapeake Group, Inc., 2002.

Attitudes & Opinions

Various perceptions and opinions of downtown from both those patron and non-patron households impact downtown use. Those households that did frequent the CBD were asked what they specifically liked about the area. While convenience and accessibility were the most often mentioned characteristics, a significant number of respondents identified the downtown's small town charm and atmosphere, as well as the historical buildings and sections. Other identified attributes include:

- ✓ The downtown is compact, walkable and the businesses are close together.
- ✓ The variety and quality of medical facilities.
- ✓ Main Street is clean and the people friendly.

The households were then asked to identify any changes to the downtown that would encourage them to visit the area more frequently and spend more time and money. Their responses, in order of preference, are listed below.

- ✓ Additional retail stores.
- ✓ Entertainment facilities, such as a movie theater.
- ✓ The completion of construction combined with consistent traffic patterns.
- ✓ Specialty shops.
- ✓ Better restaurants.
- ✓ Additional security and improved street lighting.
- ✓ Better parking.
- ✓ Activities for young adults.

Those individuals that do not visit downtown were asked to identify the primary reasons why they or other household members did not frequent the area. Roughly 13% of the individuals responding to this specific question stated that they did not frequent downtown Elkton because of a lack of retail shopping opportunities or stores. Another 60% of the respondents stated that they didn't utilize the CBD because "it is too far away" or they lived elsewhere (closer to Havre De Grace, North East, Rising Sun, Perryville and Harford County). Therefore, over 70% of these respondent households do not frequent downtown Elkton because of more abundant shopping opportunities elsewhere that are closer to home or work. Other reasons given for not frequenting the CBD include those that follow.

- ✓ The availability of nearby "tax free" shopping.
- ✓ Parking problems.
- ✓ The lack of public transportation to and from Elkton.
- ✓ Construction activity.

When asked what changes or new businesses might attract them or another household member to visit downtown Elkton, the respondents offered the following.

- ✓ Department stores such as Target, Wal-Mart and Sears.
- ✓ More retail stores, in general.
- ✓ Specialty and craft stores.
- ✓ Improved parking.
- ✓ Public transportation to and from Elkton.
- ✓ Historical "revitalization" as opposed to "commercial chains."
- ✓ More restaurants.

Select Demographics

In addition to the commercial utilization patterns that impact market potential, data was also obtained on demographic and lifestyle characteristics that impact demand and spending patterns.

About two in ten (18%) households surveyed consists of a single person. On the other hand, 36% contained two people, and 46% three or more members. The average respondent household consists of 2.77 members.

Table 48 - Number of Household Members*

Number	%
1	18
2	36
3	18
4	15
5	9
6 Or More	4
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

The presence of pre-school age children within households has a significant impact on many aspects of households, including shopping patterns, incomes and ability to purchase goods and services. Over one-quarter (27%) of the surveyed households contain a child six years old or younger. One in ten (9%) of the households contain more than one child six years of age or younger.

Table 49 - Number of Household Members Pre-School Age*

Number Younger Than Six	%
0	73
1	18
2	8
3 Or More	1
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

The presence of seniors within the household, like youngsters, impacts the family units' employment patterns and spending levels. In almost one-third (32%) of the surveyed households the most senior member was 60 years old or older. In some cases these individuals lived with younger household members.

It is noted that telephone surveying generally attracts a disproportionate share of seniors because, young households with young children have a tendency to be under-represented.

Table 50 – Age of Most Senior Household Member*

Age	%
21 To 29	5
30 To 39	10
40 To 49	25
50 To 59	28
60 Or Older	32
Total	100

*Developed By The Chesapeake Group, Inc., 2002.

Employment trends and patterns are also significant factors in demand. They impact not just the ability to purchase goods and services through income generation but also such factors as times, frequencies and locations of purchases. About one-fourth (25%) of the respondents indicated that no one within the household was employed on a full-time basis, reflective of the larger concentration of seniors. About one-half (47%) of the households contained one member with a full-time job. Another one-fourth (28%) of the households have two or more members working on a full-time basis.

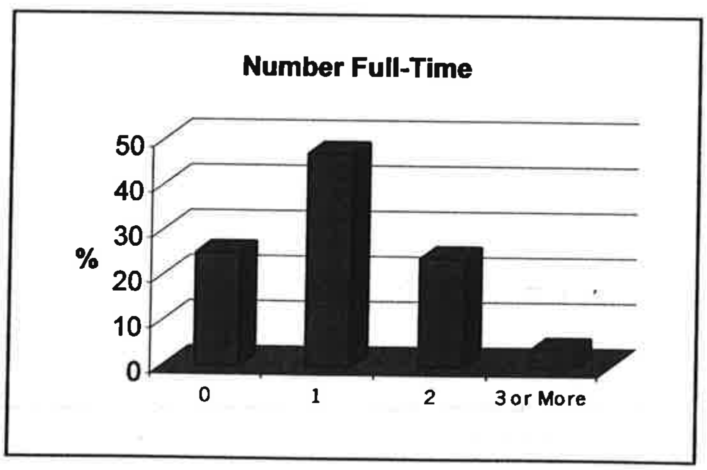


Table 51 - Number of Household Members Employed Full-Time*

Number Full-Time	%
0	25
1	47
2	24
3 Or More	4
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

The survey generated basic information on the employment of those surveyed household members with full-time jobs. Areas that were explored included the location and type of employment along with the educational level of the employees.

The table below provides information on where the first and second household member, with full-time employment, worked. Collectively, slightly more people worked in Cecil County than commuted out of the county to jobs in Delaware. Only a very small percentage of the survey sample held full-time jobs situated in downtown Elkton.

Table 52 – General Area, Location of Employment (in %)*

Location	1st Member	2nd Member
Delaware	26	22
Cecil County	20	33
Harford County	18	6
Elkton	14	17
Pennsylvania	10	6
Elsewhere in Maryland	4	5
Baltimore County or City	4	11
Elsewhere on Eastern Shore	2	-
Downtown Elkton	2	-
Total	100	100

*Developed by The Chesapeake Group, Inc., 2002.

A majority of the identified full-time employees reported that they held either managerial or professional positions as shown below.

Table 53 – Full -Time Employment Category (In %)*

Job Type	1st Member	2nd Member
Managerial	27	40
Professional	35	33
Clerical	2	7
Sales	6	7
Skilled Labor	18	7
Technical	12	6
Total	100	100

*Developed by The Chesapeake Group, Inc., 2002.

The most frequently identified employment sectors within the surveyed households were the government, transportation and professional services.

Table 54 – General Industry (In %)*

Industry	1st Member	2nd Member
Government	13	10
Transportation	13	17
Professional Service	11	13
Medical	9	9
Other Manufacturing	8	4
Education	6	13
Non-Profit or Religious	5	-
Retail	4	5
Personal Service	4	8
Industrial Importing/Exporting	4	-
Wholesaling or Warehousing	4	4
Energy or Utilities	4	-
Chemicals	3	-
Security	3	-
Restaurant	2	8
Financial Institution	2	4
Industrial, Commercial Boating, Fishing	1	-
Other	4	5
Total	100	100

*Developed by The Chesapeake Group, Inc., 2002.

The surveyed workforce is reasonably well educated as would be anticipated from the previous information and as shown below. About three-fourths of the household members working full-time received some type of post high school education.

Table 55 – Educational Level of Full-Time Employees (In %)*

Education Level	1st Member	2nd Member
Did Not Complete High School	4	-
Completed High School	19	28
Some College	19	33
Technical School After High School	14	-
Earned Bachelors Degree	25	28
Advanced Degree	19	11
Total	100	100

*Developed by The Chesapeake Group, Inc., 2002.

About one-quarter (24%) of the households have someone working on a part-time basis, as found in the Table 56 to the right. The survey also revealed that 18% of the households contained a member who desired and was actively seeking a job.

Table 56 - Number of Household Members Employed Part-Time*

Number Part-Time	%
0	76
1	23
2	1
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

The survey also generated data on household incomes that represent a dominant factor impacting the ability of a group to purchase goods and services as previously noted. The diversity of incomes within the surveyed households is detailed below. On average, the surveyed households reported annual incomes of approximately $51,350.

Table 57 – Total Household Income*

Income Category	%
Less Than $20,000	29
$20,000 To $29,999	11
$30,000 To $49,999	19
$50,000 To $69,999	11
$70,000 To $89,999	9
$90,000 To $99,999	5
$100,000 Or More	16
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

Spending

There are essentially three commodities upon which households spend much of their incomes and assets over time. These are food, transportation, and housing. The type and variety of each commodity often changes with income and other fiscal resources.

Respondents were asked both general questions about spending, such as how often they shopped for various merchandise, and specific spending information, such as the amount generally spent at supermarkets. The former information is used in modeling, as well as the latter, when combined with industry averages and other salient data.

Food purchased for home consumption is generally purchased at supermarkets or other facilities that have a supermarket component, such as Wal*Mart. The surveyed households report a range of weekly grocery expenditures. About one-fourth (28%) spend less than $50 in a normal week on groceries. On the other hand, 21% spend more than $100 per week on groceries and related merchandise. It is estimated that the typical household spends just over $75 each week on groceries.

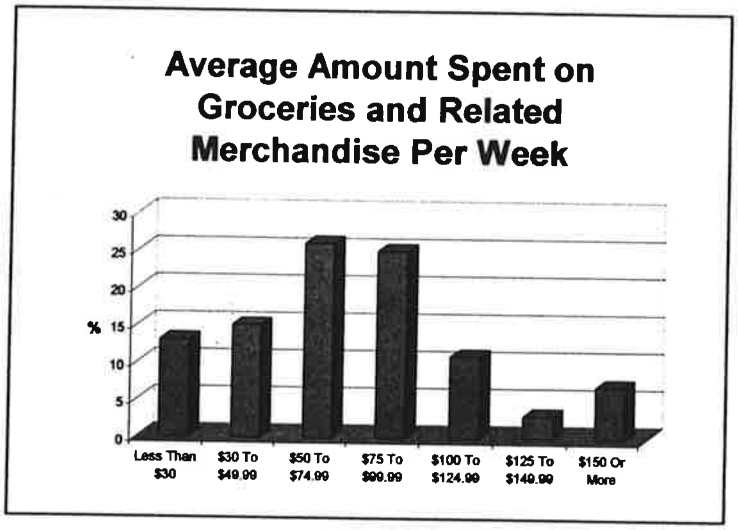


Table 58 – Average Amount Spent on Groceries and Related Merchandise Per Week*

Amount Spent	%
Less Than $30	13
$30 To $49.99	15
$50 To $74.99	26
$75 To $99.99	25
$100 To $124.99	11
$125 To $149.99	3
$150 Or More	7
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

Other food spending is also associated with lunch and dinner trips as well as entertainment activity. These essentially reflect spending related to meals purchased and consumed outside of the home. As revealed below, 35% of the respondents eat lunch out at the rate of at least once each week. Almost two-thirds of these eat lunch out on average of a few times per week.

Table 59 – Frequency Lunch Is Consumed Outside the Home*

Frequency	%
Few Times / Week	22
Once / Week	13
Twice / Month	16
Once / Month	19
4 To 9 Times / Year	6
Few Times / Year	1
Less Often	11
Never	12
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

The relationship between lunch trips and employment is important particularly if the employment is not in close proximity to the home. The respondent households report that only a small minority of their lunch trips is work related.

Table 60 - Whether Lunch Trip Is Generally Work Related*

Whether Work Related	%
Yes	11
No	89
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

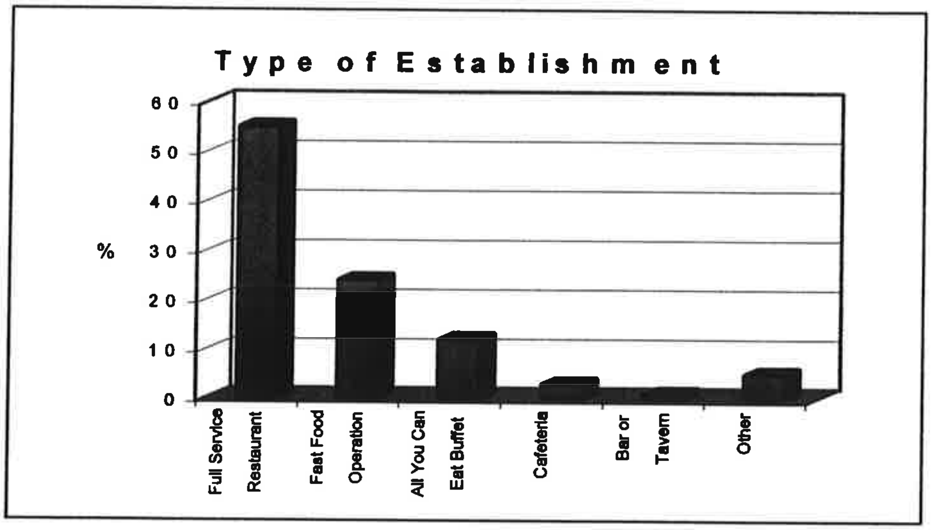
There are relationships between meal costs and spending and the level of service provided at food service establishments. Full-service restaurants were the preferred choice for lunch for over one-half of the households. One-fourth (24%) of the respondents indicated that they preferred fast food establishments. All you can eat buffets include various oriental food service establishments, while the other category includes delis, cafes and taverns.

Table 60 – Type of Establishment Most Often Associated with Lunch*

Type Of Establishment	%
Full-Service Restaurant	55
Fast Food Operation	24
All You Can Eat Buffet	12
Cafeteria	3
Other	6
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

Popular restaurants identified include the Howard House, Elkton Diner (in Big Elk Mall), Golden Corral (in Elkton), Pizza Hut, Bob Evans and King Buffet Chinese Restaurant (in Newark, Delaware). Fast food operations included McDonalds, Burger King, Wendy's and Taco Bell.



The households tended to have dinner outside the home slightly more frequently than they go out to lunch. About three-fourths (74%) of the households reported that ate dinner outside of their homes at least once each month. This compares to 70% who eat lunch out at the same frequency.

Table 61 – Frequency Dinner Is Consumed Outside the Home*

Frequency	%
Few Times / Week	18
Once / Week	19
Twice / Month	20
Once / Month	17
4 To 9 Times / Year	5
Few Times / Year	2
Less Often	12
Never	7
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

Full-service restaurants are easily the most popular choice for the evening meal outside of the home. The identified restaurants frequented include, but are not limited to: Baker's Restaurant (in Elkton); Outback Steakhouse (in Newark, Delaware); Bentley's Restaurant (on Pulaski Highway); and Woody's Crab House (in North East).

Table 62 - Type of Establishment Most Often Associated With Dinner*

Type Of Establishment	%
Full-Service Restaurant	87
Fast Food Operation	4
All You Can Eat Buffet	5
Other	4
Total	100

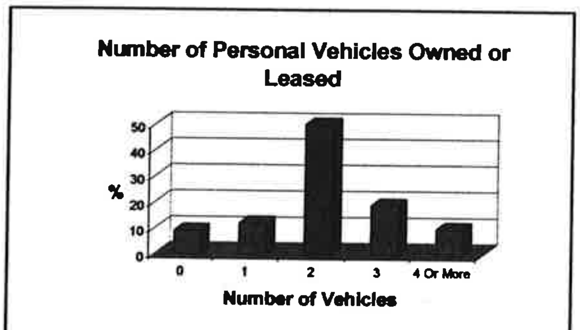
*Developed by The Chesapeake Group, Inc., 2002.

Certain entertainment activity generally involves food and beverage consumption. Thus, information on the frequency households partake of select entertainment activities was also obtained. As shown below, 19% of the households contain a member who goes to the movies as often as once a month, while 38% report that they never go out to the movies. A relatively small minority of 11% of the household contains a member who goes to clubs or concerts at a frequency of at least once each month.

Table 63 – Frequency Household Members Participate In Selected Entertainment Activities (In %)*

Frequency	Go to Clubs Listen To Music, Dance	Go To The Movies
Once / Week	5	3
Twice / Month	1	10
Once / Month	5	6
4 To 9 Times/Year	2	10
Few Times/Year	3	8
Once / Year	1	6
Less Often	15	19
Never	68	38
Total	100	100

*Developed by The Chesapeake Group, Inc., 2002.



Transportation is the second major household expenditure reviewed. One in ten (9%) of the households surveyed do not own or lease a private vehicle, while 79% have two or more vehicles. Many (the significant majority) of those without a private vehicle have vehicles available associated with their employment. On an average, each household within the area owns or leases 2.09 vehicles.

Table 64 – Number of Personal Vehicles Owned or Leased*

Number Owned/Leased	%
0	9
1	12
2	50
3	19
4 Or More	10
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

The age of vehicles typically impacts the size or existence of loan payments and the amount spent on maintenance. In general, vehicles older than five years have lesser loan payments than newer vehicles, but greater maintenance costs. As shown in the table to the right, 81% of the vehicles within the surveyed households are five years old or older.

Table 65 – Number of Personal Vehicles Five Years of Age or Older*

Number Five Years Or +	%
0	19
1	42
2	33
3	4
4 Or More	2
Total	**100**

*Developed by The Chesapeake Group, Inc., 2002.

Spending on housing over time, the third major commodity for household spending, is dependent upon a number of factors. One of those factors is the ownership pattern. In general, mortgages have a tendency to increase at a slower pace, if at all, than do payments for rent. A significant majority (87%) of the households reported that they owned rather than rent their residences.

Table 66 – Whether Household Owns or Rents*

Own/Rent	%
Own	87
Rent	13
Total	**100**

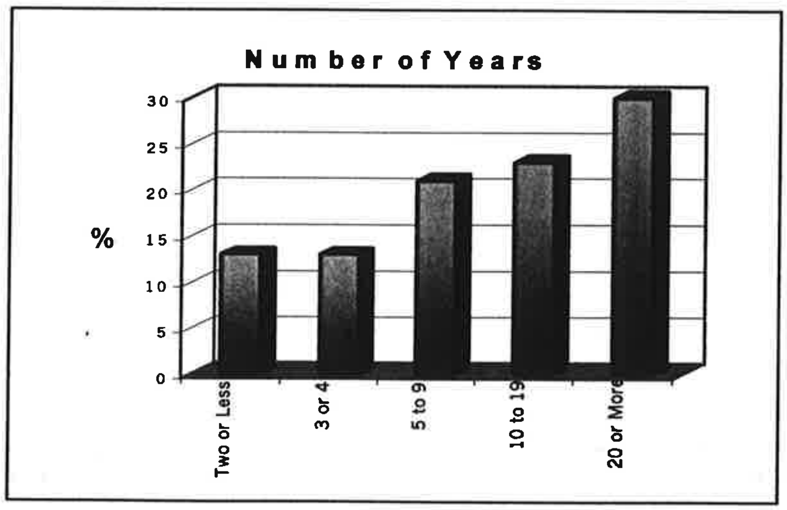
*Developed by The Chesapeake Group, Inc., 2002.

The majority (53%) of the households lived in their homes for ten years or longer. About one-third (30%) have resided at their current address for twenty years or longer. It is estimated that, on the average, the surveyed households have resided at their current address for slightly longer than 12 years.

Table 67 – Number of Years Living At the Address*

Number of Years	%
Two Or Less	13
3 Or 4	13
5 To 9	21
10 To 19	23
20 Or More	30
Total	**100**

*Developed by The Chesapeake Group, Inc., 2002.



A significant proportion, (24%) of the households does not have a monthly mortgage or rent payment. This finding is related to the high degree of home ownership, the noted age of some of the interviewed households, and the extended tenure detailed above. The average monthly housing cost for the households with a monthly rent or mortgage payment is estimated to be $842.

Table 68 – Amount Spent on Rent or Mortgage Per Month*

Rent / Mortgage	%
None	24
Less Than $500	19
$500 To $749	15
$750 To $874	5
$875 To $999	7
$1,000 To $1,249	21
$1,250 To $1,499	5
$1,500 Or More	4
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

Information on the frequency of common household purchases was also obtained.

As detailed in Table 69, less than two out of ten, or 19%, shop at a pharmacy or drugstore once each week or more.

It is noted that 42% of the surveyed households purchased health and beauty aids at a frequency of a few times each month or more while 41% purchased women's clothing at a frequency of at least once a month. On the other hand, 37% never purchased children's clothes.

Table 69 – The Frequency of Shopping at Pharmacies or Drugstores*

Frequency	%
More Than Once / Week	4
About Once / Week	15
Few Times / Month	17
Twice / Month	15
Once / Month	21
Less Often	28
Total	100

*Developed by The Chesapeake Group, Inc., 2002.

Table 70 - Frequency of Purchases of Selected Household Items (In %)*

Product	Once/ Week	Few/ Mon	Once/ Mon	Few/ Year	Less Oft	Never	Total
Health Care/Beauty Aids	17	25	39	10	5	4	100
Cards & Magazines	5	14	35	22	7	17	100
Women's Clothes	2	12	27	29	24	6	100
Children's Clothes	1	13	8	13	28	37	100
Shoes	1	7	6	45	35	6	100
Auto Supplies	1	5	10	29	30	25	100

*Developed by The Chesapeake Group, Inc., 2002

Sporting activity, both as an observer and participant, is an important component of household entertainment, leisure, and recreation often blended with retail and other commercial activity. The survey results indicated that the most popular sporting activities related to water. Table 71 provides information on activities in which at least one household member participates.

Table 71 – Sports In Which Household Member Participates*

Sport	%
Swimming	44
Fishing	41
Sailing / Boating	40
Bicycling	27
Billiards / Pool	23
Hunting	21
Soccer	21
Golf	20
Bowling	16
Skating	14
Baseball / Softball	13
Basketball	11
Tennis	11
Skiing	6

*Developed by The Chesapeake Group, Inc., 2002.

Downtowns typically use event activity in their marketing efforts. Respondent households indicate that collectively they attend a variety of shows and exhibitions, with craft shows being the most popular. The other category includes cat, quilt, recreational vehicle shows, and historical tours.

Table 72 – Events Which Household Member Attends*

Event	%
Craft Shows	68
Sporting Events	44
Concerts	40
Art Shows	31
Boat Shows	25
Collectable Shows	24
Sporting, Hunting, Fishing Shows	18
Auto, Historic Auto Shows	18
Computer Shows	8
Other	7

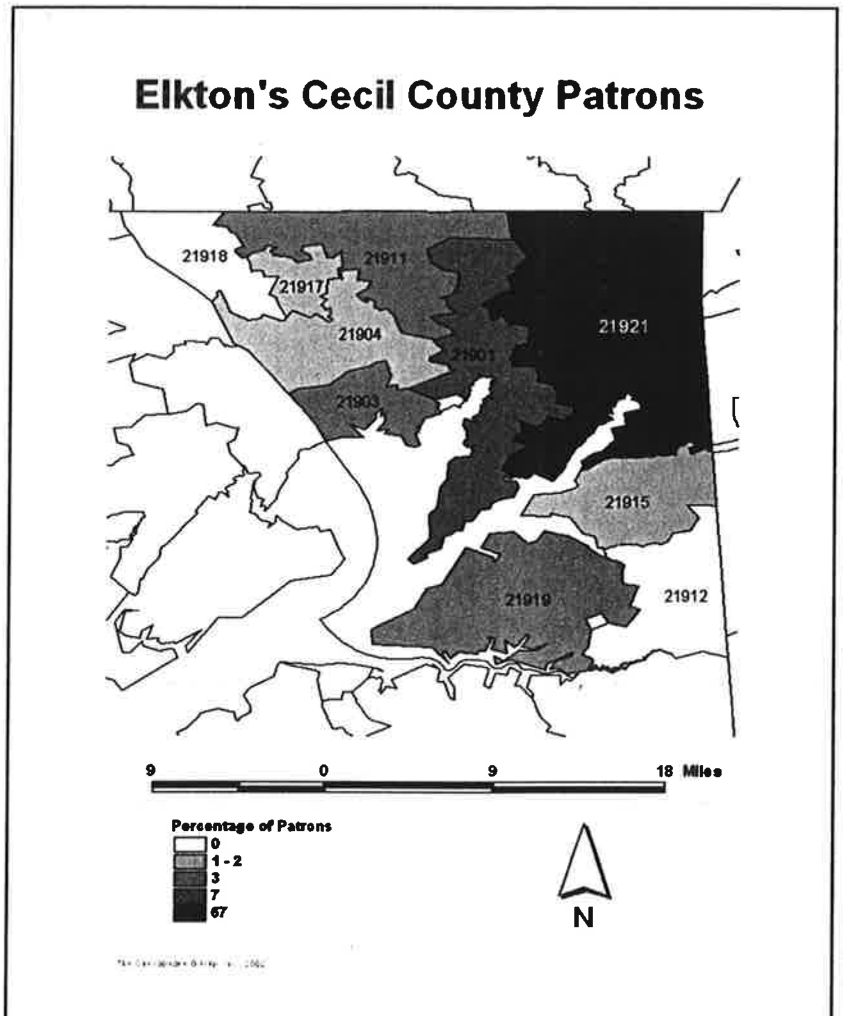
*Developed by The Chesapeake Group, Inc., 2002.

Demand Forecast

In an effort to define further opportunities and direction for marketing downtown Elkton, a second type of economic analysis was performed. This analysis involves demand forecasting for retail and related services, with retail and related services being a fundamental component of the downtown. Demand for retail goods and services for downtown Elkton is based on the market's ability to purchase goods and services. As previously defined, the primary source, but not the only source of information used to define spending patterns for retail and related services demand was the telephone survey. The following represents a review of demand for retail and related services activity.

Market Areas & Retail Sales

There are essentially three potential market areas for goods and services associated with the downtown. These are:



- ✓ The primary market area, composed of residents living in Cecil County.
- ✓ The secondary market area, composed of residents living in New Castle County, Delaware.
- ✓ The tertiary market, consisting of residents to the area coming from Harford County.

It is noted that employees of downtown offices, hospital, and other businesses are subsets of these three markets, generally with higher market penetration capabilities.

It is also noted that for this analysis and from a policy perspective, visitor based revenues and sales are considered an added or additional source of revenues. No business's success should be premised upon such sales. This is particularly important since the patron survey did not generate any concrete visitor patronage at this time.

Retail goods and related services sales generated by primary market area residents are estimated at about $977 million this year. The primary market area sales are expected to increase to about $1.264 billion by 2010, due primarily to increases in households in the area and anticipated changes in average household income.

Aggregate retail sales figures represent a compilation of sales associated with ten major categories. The ten major categories of retail goods and related services are:

- ✓ Food, such as groceries and related merchandise generally purchased for home preparation or consumption.
- ✓ Eating and drinking, consisting of prepared food and beverages generally consumed on the premises or carried to another location.
- ✓ General merchandise, including variety stores, department stores and large value oriented retail operators.
- ✓ Furniture and accessories, including appliances and home furnishings.
- ✓ Transportation and utilities, including the sale of new and used automotive and other personal vehicles and parts and basic utilities for the home.
- ✓ Drugstores, including those specializing in health and beauty aids or pharmaceuticals.
- ✓ Apparel and accessories;
- ✓ Hardware and building materials, including traditional hardware stores and garden and home improvement centers.
- ✓ Auto services, including gasoline and vehicle repair.
- ✓ Miscellaneous, which includes a plethora of retail goods and services ranging from florists to paper goods.

Some operations fall into more than one category. For example, many of the general merchandisers associated with the "big box stores" have added more or less traditional supermarket components to their operations.

Table 73 contains the estimated retail and related services sales generated by the primary market for the major categories for the years of 2002, 2005, and 2010.

Table 73 - Primary Market Area Retail Sales*

Sub-category	2002	2005	2010
Food	$160,376,000	$172,178,000	$207,592,000
Eat/Drink	91,420,000	98,148,000	118,335,000
General Merchandise	165,259,000	170,814,000	205,949,000
Furniture	17,288,000	18,560,000	22,377,000
Transportation & Utilities	205,109,000	220,203,000	265,495,000
Drugstore	67,295,000	72,248,000	87,108,000
Apparel	43,464,000	46,662,000	56,260,000
Hardware	92,397,000	99,196,000	119,599,000
Vehicle Service	99,234,000	106,536,000	128,449,000
Miscellaneous	34,869,000	37,434,000	45,134,000
TOTAL	$976,709,000	$1,048,585,000	$1,264,264,000

*Developed by The Chesapeake Group, Inc., 2002.

Secondary market area sales generated from residents of New Castle County are estimated to be roughly $8.3 billion for 2002. Secondary area sales are expected to increase to about $9 billion by 2005. An additional increase to about $10.3 billion is expected by 2010 as shown in the table that follows. It is noted that the secondary market is the largest of the three markets.

Table 74 - Secondary Market Area Retail Sales*

Category	2002	2005	2010
Food	$980,930,000	$1,060,337,000	$1,212,236,000
Eat/Drink	743,381,000	803,558,000	918,672,000
General Merchandise	943,553,000	1,019,935,000	1,166,046,000
Furniture	624,606,000	675,168,000	771,889,000
Transportation & Utilities	2,021,663,000	2,185,318,000	2,498,376,000
Drugstore	572,278,000	618,605,000	707,223,000
Apparel	369,614,000	399,534,000	456,770,000
Hardware	785,741,000	849,347,000	971,020,000
Vehicle Service	843,882,000	912,195,000	1,042,872,000
Miscellaneous	439,384,000	474,952,000	542,991,000
TOTAL	$8,305,928,000	$8,978,299,000	$10,264,487,000

*Developed by The Chesapeake Group, Inc., 2002.

The tertiary market is larger than the primary and consists of residents of Harford County. The tertiary market generated sales are expected to grow from 3.0 billion in 2002 to almost $4 billion by the year 2010 as shown in Table 75.

Table 75 - Tertiary Market Area Retail Sales*

Category	2002	2005	2010
Food	$504,754,000	$559,242,000	$665,385,000
Eat/Drink	294,289,000	326,057,000	387,942,000
General Merchandise	281,022,000	311,358,000	370,453,000
Furniture	165,537,000	183,407,000	218,218,000
Transportation & Utilities	726,073,000	804,453,000	957,136,000
Drugstore	186,644,000	206,793,000	246,041,000
Apparel	194,785,000	215,813,000	256,773,000
Hardware	242,426,000	268,597,000	319,575,000
Vehicle Service	180,011,000	199,443,000	237,297,000
Miscellaneous	239,713,000	265,590,000	315,998,000
TOTAL	$3,015,254,000	$3,340,753,000	$3,974,819,000

*Developed by The Chesapeake Group, Inc., 2002.

There are sub-categories, generally associated with particular types of businesses, found within each retail goods and related services category. While not necessarily the largest in terms of sales, the miscellaneous category contains more sub-categories or types of establishments than any other major retail goods and related services category. The information on the sub-category sales for the primary, secondary, and tertiary markets is contained in Tables 76, 77 and 78, found on the next three pages. It is noted that irrespective of the strength, location factors, mass, or other issues, no community is able to attract all of the sales generated in a market. As examples, people employed often spend resources at or near their employment, make visits and spend money with relatives and friends living elsewhere, and take vacations resulting in still other spending.

Table 76 – Estimated Primary Market Area Retail & Related Services Sales by Sub-category*

Sub-category	2002	2005	2010
Food	$160,376,000	$172,178,000	$207,592,000
Supermarkets	133,913,960	143,768,630	173,339,320
Independents	12,830,080	13,774,240	16,607,360
Bakeries	3,528,272	3,787,916	4,567,024
Dairies	2,084,888	2,238,314	2,698,696
Others	8,018,800	8,608,900	10,379,600
Eat/Drink	$91,420,000	$98,148,000	$118,335,000
General Merchandise	$165,259,000	$170,814,000	$205,949,000
Dept. Stores	60,319,535	62,347,110	75,171,385
Variety Stores	11,898,648	12,298,608	14,828,328
Jewelry	11,402,871	11,786,166	14,210,481
Sporting Goods/Toys	18,013,231	18,618,726	22,448,441
Discount Dept.	60,154,276	62,176,296	74,965,436
Antiques, etc.	826,295	854,070	1,029,745
Others	2,644,144	2,733,024	3,295,184
Furniture	$17,288,000	$18,560,000	$22,377,000
Furniture	4,079,968	4,380,160	5,280,972
Home Furnishings	6,016,224	6,458,880	7,787,196
Store/Office Equip.	3,768,784	4,046,080	4,878,186
Music Instr./Suppl.	743,384	798,080	962,211
Radios,TV, etc.	2,679,640	2,876,800	3,468,435
Transportation & Utilities	$205,109,000	$220,203,000	$265,495,000
New/Used Vehicles	71,788,150	77,071,050	92,923,250
Tires, Batt., Prts.	90,453,069	97,109,523	117,083,295
Marine Sales/Rentals	10,870,777	11,670,759	14,071,235
Auto/Truck Rentals	31,997,004	34,351,668	41,417,220
Drugstore	$67,295,000	$72,248,000	$87,108,000
Apparel	$43,464,000	$46,662,000	$56,260,000
Men's and Boy's	5,693,784	6,112,722	7,370,060
Women's and Girl's	14,430,048	15,491,784	18,678,320
Infants	912,744	979,902	1,181,460
Family	12,082,992	12,972,036	15,640,280
Shoes	9,083,976	9,752,358	11,758,340
Jeans/Leather	173,856	186,648	225,040
Tailors/Uniforms	782,352	839,916	1,012,680
Others	304,248	326,634	393,820
Hardware	$92,397,000	$99,196,000	$119,599,000
Hardware	44,720,148	48,010,864	57,885,916
Lawn/Seed/Fertil.	1,755,543	1,884,724	2,272,381
Others	45,921,309	49,300,412	59,440,703
Vehicle Service	$99,234,000	$106,536,000	$128,449,000
Gasoline	33,739,560	36,222,240	43,672,660
Garage, Repairs	65,494,440	70,313,760	84,776,340
Miscellaneous	$34,869,000	$37,434,000	$45,134,000
Advert. Signs, etc.	557,904	598,944	722,144
Barber/Beauty shop	2,127,009	2,283,474	2,753,174
Book Stores	1,603,974	1,721,964	2,076,164
Bowling	801,987	860,982	1,038,082
Cig./Tobacco Dealer	244,083	262,038	315,938
Dent./Physician Lab	1,394,760	1,497,360	1,805,360
Florist/Nurseries	2,615,175	2,807,550	3,385,050
Laundry, Dry Clean	1,185,546	1,272,756	1,534,556
Optical Goods/Opt.	836,856	898,416	1,083,216
Photo Sup./Photog.	2,405,961	2,582,946	3,114,246
Printing	2,824,389	3,032,154	3,655,854
Paper/Paper Prod.	1,499,367	1,609,662	1,940,762
Gifts/Cards/Novel.	4,986,267	5,353,062	6,454,162
Newsstands	278,952	299,472	361,072
Video Rent/Sales	4,532,970	4,866,420	5,867,420
Others	6,973,800	7,486,800	9,026,800
TOTAL	$976,711,000	$1,041,979,000	$1,256,298,000

*Developed by The Chesapeake Group, Inc., 2002.

Table 77 – Estimated Secondary Market Area Retail & Related Services Sales by Sub-category*

Sub-category	2002	2005	2010
Food	$980,930,000	$1,060,337,000	$1,212,236,000
Supermarkets	819,076,550	885,381,395	1,012,217,060
Independents	78,474,400	84,826,960	96,978,880
Bakeries	21,580,460	23,327,414	26,669,192
Dairies	12,752,090	13,784,381	15,759,068
Others	49,046,500	53,016,850	60,611,800
Eat/Drink	$743,381,000	$803,558,000	$918,672,000
General Merchandise	$943,553,000	$1,019,935,000	$1,166,046,000
Dept. Stores	344,396,845	372,276,275	425,606,790
Variety Stores	67,935,816	73,435,320	83,955,312
Jewelry	65,105,157	70,375,515	80,457,174
Sporting Goods/Toys	102,847,277	111,172,915	127,099,014
Discount Dept.	343,453,292	371,256,340	424,440,744
Antiques, etc.	4,717,765	5,099,675	5,830,230
Others	15,096,848	16,318,960	18,656,736
Furniture	$624,606,000	$675,168,000	$771,889,000
Furniture	147,407,016	159,339,648	182,165,804
Home Furnishings	217,362,888	234,958,464	268,617,372
Store/Office Equip.	136,164,108	147,186,624	168,271,802
Music Instr./Suppl.	26,858,058	29,032,224	33,191,227
Radios,TV, etc.	96,813,930	104,651,040	119,642,795
Transportation & Utilities	$2,021,663,000	$2,185,318,000	$2,498,376,000
New/Used Vehicles	707,582,050	764,861,300	874,431,600
Tires, Batt., Prts.	891,553,383	963,725,238	1,101,783,816
Marine Sales/Rentals	107,148,139	115,821,854	132,413,928
Auto/Truck Rentals	315,379,428	340,909,608	389,746,656
Drugstore	$572,278,000	$618,605,000	$707,223,000
Apparel	$369,614,000	$399,534,000	$456,770,000
Men's and Boy's	48,419,434	52,338,954	59,836,870
Women's and Girl's	122,711,848	132,645,288	151,647,640
Infants	7,761,894	8,390,214	9,592,170
Family	102,752,692	111,070,452	126,982,060
Shoes	77,249,326	83,502,606	95,464,930
Jeans/Leather	1,478,456	1,598,136	1,827,080
Tailors/Uniforms	6,653,052	7,191,612	8,221,860
Others	2,587,298	2,796,738	3,197,390
Hardware	$785,741,000	$849,347,000	$971,020,000
Hardware	380,298,644	411,083,948	469,973,680
Lawn/Seed/Fertil.	14,929,079	16,137,593	18,449,380
Others	390,513,277	422,125,459	482,596,940
Vehicle Service	$843,882,000	$912,195,000	$1,042,872,000
Gasoline	286,919,880	310,146,300	354,576,480
Garage, Repairs	556,962,120	602,048,700	688,295,520
Miscellaneous	$439,384,000	$474,952,000	$542,991,000
Advert. Signs, etc.	7,030,144	7,599,232	8,687,856
Barber/Beauty shop	26,802,424	28,972,072	33,122,451
Book Stores	20,211,664	21,847,792	24,977,586
Bowling	10,105,832	10,923,896	12,488,793
Cig./Tobacco Dealer	3,075,688	3,324,664	3,800,937
Dent./Physician Lab	17,575,360	18,998,080	21,719,640
Florist/Nurseries	32,953,800	35,621,400	40,724,325
Laundry, Dry Clean	14,939,056	16,148,368	18,461,694
Optical Goods/Opt.	10,545,216	11,398,848	13,031,784
Photo Sup./Photog.	30,317,496	32,771,688	37,466,379
Printing	35,590,104	38,471,112	43,982,271
Paper/Paper Prod.	18,893,512	20,422,936	23,348,613
Gifts/Cards/Novel.	62,831,912	67,918,136	77,647,713
Newsstands	3,515,072	3,799,616	4,343,928
Video Rent/Sales	57,119,920	61,743,760	70,588,830
Others	87,876,800	94,990,400	108,598,200
TOTAL	$8,325,032,000	$8,998,949,000	$10,288,095,000

*Developed by The Chesapeake Group, Inc., 2002.

Table 78 – Estimated Tertiary Market Area Retail & Related Services Sales by Sub-category*

Sub-category	2002	2005	2010
Food	**$504,754,000**	$559,242,000	**$665,385,000**
Supermarkets	421,469,590	466,967,070	555,596,475
Independents	40,380,320	44,739,360	53,230,800
Bakeries	11,104,588	12,303,324	14,638,470
Dairies	6,561,802	7,270,146	8,650,005
Others	25,237,700	27,962,100	33,269,250
Eat/Drink	**$294,289,000**	$326,057,000	**$387,942,000**
General Merchandise	**$281,022,000**	$311,358,000	$370,453,000
Dept. Stores	102,573,030	113,645,670	135,215,345
Variety Stores	20,233,584	22,417,776	26,672,616
Jewelry	19,390,518	21,483,702	25,561,257
Sporting Goods/Toys	30,631,398	33,938,022	40,379,377
Discount Dept.	102,292,008	113,334,312	134,844,892
Antiques, etc.	1,405,110	1,556,790	1,852,265
Others	4,496,352	4,981,728	5,927,248
Furniture	**$165,537,000**	**$183,407,000**	**$218,218,000**
Furniture	39,066,732	43,284,052	51,499,448
Home Furnishings	57,606,876	63,825,636	75,939,864
Store/Office Equip.	36,087,066	39,982,726	47,571,524
Music Instr./Suppl.	7,118,091	7,886,501	9,383,374
Radios,TV, etc.	25,658,235	28,428,085	33,823,790
Transportation & Utilities	**$726,073,000**	**$804,453,000**	**$957,136,000**
New/Used Vehicles	254,125,550	281,558,550	334,997,600
Tires, Batt., Prts.	320,198,193	354,763,773	422,096,976
Marine Sales/Rentals	38,481,869	42,636,009	50,728,208
Auto/Truck Rentals	113,267,388	125,494,668	149,313,216
Drugstore	**$186,644,000**	**$206,793,000**	**$246,041,000**
Apparel	**$194,785,000**	**$215,813,000**	**$256,773,000**
Men's and Boy's	25,516,835	28,271,503	33,637,263
Women's and Girl's	64,668,620	71,649,916	85,248,636
Infants	4,090,485	4,532,073	5,392,233
Family	54,150,230	59,996,014	71,382,894
Shoes	40,710,065	45,104,917	53,665,557
Jeans/Leather	779,140	863,252	1,027,092
Tailors/Uniforms	3,506,130	3,884,634	4,621,914
Others	1,363,495	1,510,691	1,797,411
Hardware	**$242,426,000**	**$268,597,000**	**$319,575,000**
Hardware	117,334,184	130,000,948	154,674,300
Lawn/Seed/Fertil.	4,606,094	5,103,343	6,071,925
Others	120,485,722	133,492,709	158,828,775
Vehicle Service	**$180,011,000**	**$199,443,000**	**$237,297,000**
Gasoline	61,203,740	67,810,620	80,680,980
Garage, Repairs	118,807,260	131,632,380	156,616,020
Miscellaneous	**$239,713,000**	**$265,590,000**	**$315,998,000**
Advert. Signs, etc.	3,835,408	4,249,440	5,055,968
Barber/Beauty shop	14,622,493	16,200,990	19,275,878
Book Stores	11,026,798	12,217,140	14,535,908
Bowling	5,513,399	6,108,570	7,267,954
Cig./Tobacco Dealer	1,677,991	1,859,130	2,211,986
Dent./Physician Lab	9,588,520	10,623,600	12,639,920
Florist/Nurseries	17,978,475	19,919,250	23,699,850
Laundry, Dry Clean	8,150,242	9,030,060	10,743,932
Optical Goods/Opt.	5,753,112	6,374,160	7,583,952
Photo Sup./Photog.	16,540,197	18,325,710	21,803,862
Printing	19,416,753	21,512,790	25,595,838
Paper/Paper Prod.	10,307,659	11,420,370	13,587,914
Gifts/Cards/Novel.	34,278,959	37,979,370	45,187,714
Newsstands	1,917,704	2,124,720	2,527,984
Video Rent/Sales	31,162,690	34,526,700	41,079,740
Others	47,942,600	53,118,000	63,199,600
TOTAL	**$3,015,254,000**	**$3,340,753,000**	**$3,974,818,000**

*Developed by The Chesapeake Group, Inc., 2002.

Supportable Space

Retail and related services sales are converted to supportable space through the application of sales productivity levels. A sales productivity level is the level of sales per square foot at which it is assumed that the business will generate sufficient revenue to cover all costs of operation as well as provide a reasonable return on investment for the ownership or operating entity.

As might be expected, sales productivity levels vary, sometimes greatly, for each sub-category, type of business operation, or store-type. The productivity levels vary from very low figures for bowling centers to hundreds of dollars for other users. Supportable space is derived by dividing the amount of sales by a sales productivity level.

Table 79 that follows contains the estimates of supportable square feet of space by category for the primary market for 2002, 2005, and 2010. Table 81, found on the next page, contains the same breakdown of supportable space by sub-category or type of business. It is noted that transportation, general merchandise, and hardware are the largest categories. Furthermore, the combined and transportation and vehicle services categories represent almost one-third of all supportable space.

Table 79 – Estimated Primary Market Supportable Square Feet by Category*

Sub-category	2002	2005	2010
Food	299,511	321,553	387,688
Eat/Drink	228,550	245,370	295,838
General Merchandise	539,059	557,178	671,786
Furniture	54,286	58,280	70,266
Transportation & Utilities	596,838	640,761	772,554
Drugstore	134,590	144,496	174,216
Apparel	135,248	145,199	175,065
Hardware	392,777	421,679	508,412
Vehicle Service	241,584	259,360	312,707
Miscellaneous	134,676	144,582	174,322
TOTAL	2,757,119	2,938,458	3,542,854

*Developed by The Chesapeake Group, Inc., 2002.

Table 80 contains the category information on supportable space for the secondary market. Table 82 contains the sub-category information for the secondary market.

Table 80 – Estimated Secondary Market Supportable Square Feet by Category*

Category	2002	2005	2010
Food	1,831,941	1,980,238	2,263,918
Eat/Drink	1,858,453	2,008,895	2,296,680
General Merchandise	3,077,780	3,326,932	3,803,531
Furniture	1,961,325	2,120,095	2,423,809
Transportation & Utilities	5,882,767	6,358,979	7,269,936
Drugstore	1,144,556	1,237,210	1,414,446
Apparel	1,150,136	1,243,238	1,421,340
Hardware	3,340,164	3,610,552	4,127,780
Vehicle Service	2,054,416	2,220,723	2,538,854
Miscellaneous	1,697,038	1,834,414	2,097,203
TOTAL	23,998,576	25,941,276	29,657,497

*Developed by The Chesapeake Group, Inc., 2002.

Table 81 - Primary Market Supportable Space*

Sub-category	2002	2005	2010
Food	**299,511**	**321,553**	**387,688**
Supermarkets	226,973	243,676	293,795
Independents	32,075	34,436	41,518
Bakeries	11,761	12,626	15,223
Dairies	5,791	6,218	7,496
Others	22,911	24,597	29,656
Eat/Drink	**228,550**	**245,370**	**295,838**
General Merchandise	**539,059**	**557,178**	**671,786**
Dept. Stores	201,065	207,824	250,571
Variety Stores	45,764	47,302	57,032
Jewelry	16,060	16,600	20,015
Sporting Goods/Toys	60,044	62,062	74,828
Discount Dept.	200,514	207,254	249,885
Antiques, etc.	3,593	3,713	4,477
Others	12,019	12,423	14,978
Furniture	**54,286**	**58,280**	**70,266**
Furniture	13,161	14,130	17,035
Home Furnishings	17,189	18,454	22,249
Store/Office Equip.	12,563	13,487	16,261
Music Instr./Suppl.	3,717	3,990	4,811
Radios,TV, etc.	7,656	8,219	9,910
Transportation & Utilities	**596,838**	**640,761**	**772,554**
New/Used Vehicles	179,470	192,678	232,308
Tires, Batt., Prts.	301,510	323,698	390,278
Marine Sales/Rentals	29,380	31,543	38,030
Auto/Truck Rentals	86,478	92,842	111,938
Drugstore	**134,590**	**144,496**	**174,216**
Apparel	**135,248**	**145,199**	**175,065**
Men's and Boy's	14,234	15,282	18,425
Women's and Girl's	39,000	41,870	50,482
Infants	3,042	3,266	3,938
Family	40,277	43,240	52,134
Shoes	33,033	35,463	42,758
Jeans/Leather	580	622	750
Tailors/Uniforms	3,912	4,200	5,063
Others	1,170	1,256	1,515
Hardware	**392,777**	**421,679**	**508,412**
Hardware	178,881	192,043	231,544
Lawn/Seed/Fertil.	5,163	5,543	6,683
Others	208,733	224,093	270,185
Vehicle Service	**241,584**	**259,360**	**312,707**
Gasoline	23,269	24,981	30,119
Garage, Repairs	218,315	234,379	282,588
Miscellaneous	**134,676**	**144,582**	**174,322**
Advert. Signs, etc.	2,029	2,178	2,626
Barber/Beauty shop	10,635	11,417	13,766
Book Stores	4,335	4,654	5,611
Bowling	8,020	8,610	10,381
Cig./Tobacco Dealer	488	524	632
Dent./Physician Lab	4,292	4,607	5,555
Florist/Nurseries	6,153	6,606	7,965
Laundry, Dry Clean	3,952	4,243	5,115
Optical Goods/Opt.	2,391	2,567	3,095
Photo Sup./Photog.	6,874	7,380	8,898
Printing	10,271	11,026	13,294
Paper/Paper Prod.	7,497	8,048	9,704
Gifts/Cards/Novel.	16,621	17,844	21,514
Newsstands	558	599	722
Video Rent/Sales	22,665	24,332	29,337
Others	27,895	29,947	36,107
TOTAL	**2,757,119**	**2,938,458**	**3,542,854**

*Developed by The Chesapeake Group, Inc., 2002.

Table 82 - Secondary Supportable Space*

Sub-category	2002	2005	2010
Food	**1,831,941**	**1,980,238**	**2,263,918**
Supermarkets	1,388,265	1,500,646	1,715,622
Independents	196,186	212,067	242,447
Bakeries	71,935	77,758	88,897
Dairies	35,422	38,290	43,775
Others	140,133	151,477	173,177
Eat/Drink	**1,858,453**	**2,008,895**	**2,296,680**
General Merchandise	**3,077,780**	**3,326,932**	**3,803,531**
Dept. Stores	1,147,989	1,240,921	1,418,689
Variety Stores	261,292	282,444	322,905
Jewelry	91,697	99,120	113,320
Sporting Goods/Toys	342,824	370,576	423,663
Discount Dept.	1,144,844	1,237,521	1,414,802
Antiques, etc.	20,512	22,173	25,349
Others	68,622	74,177	84,803
Furniture	**1,961,325**	**2,120,095**	**2,423,809**
Furniture	475,507	513,999	587,632
Home Furnishings	621,037	671,310	767,478
Store/Office Equip.	453,880	490,622	560,906
Music Instr./Suppl.	134,290	145,161	165,956
Radios,TV, etc.	276,611	299,003	341,837
Transportation & Utilities	**5,882,767**	**6,358,979**	**7,269,936**
New/Used Vehicles	1,768,955	1,912,153	2,186,079
Tires, Batt., Prts.	2,971,845	3,212,417	3,672,613
Marine Sales/Rentals	289,590	313,032	357,875
Auto/Truck Rentals	852,377	921,377	1,053,369
Drugstore	**1,144,556**	**1,237,210**	**1,414,446**
Apparel	**1,150,136**	**1,243,238**	**1,421,340**
Men's and Boy's	121,049	130,847	149,592
Women's and Girl's	331,654	358,501	409,858
Infants	25,873	27,967	31,974
Family	342,509	370,235	423,274
Shoes	280,907	303,646	347,145
Jeans/Leather	4,928	5,327	6,090
Tailors/Uniforms	33,265	35,958	41,109
Others	9,951	10,757	12,298
Hardware	**3,340,164**	**3,610,552**	**4,127,780**
Hardware	1,521,195	1,644,336	1,879,895
Lawn/Seed/Fertil.	43,909	47,464	54,263
Others	1,775,060	1,918,752	2,193,622
Vehicle Service	**2,054,416**	**2,220,723**	**2,538,854**
Gasoline	197,876	213,894	244,536
Garage, Repairs	1,856,540	2,006,829	2,294,318
Miscellaneous	**1,697,038**	**1,834,414**	**2,097,203**
Advert. Signs, etc.	25,564	27,634	31,592
Barber/Beauty shop	134,012	144,860	165,612
Book Stores	54,626	59,048	67,507
Bowling	101,058	109,239	124,888
Cig./Tobacco Dealer	6,151	6,649	7,602
Dent./Physician Lab	54,078	58,456	66,830
Florist/Nurseries	77,538	83,815	95,822
Laundry, Dry Clean	49,797	53,828	61,539
Optical Goods/Opt.	30,129	32,568	37,234
Photo Sup./Photog.	86,621	93,633	107,047
Printing	129,419	139,895	159,936
Paper/Paper Prod.	94,468	102,115	116,743
Gifts/Cards/Novel.	209,440	226,394	258,826
Newsstands	7,030	7,599	8,688
Video Rent/Sales	285,600	308,719	352,944
Others	351,507	379,962	434,393
TOTAL	**23,998,576**	**25,941,276**	**29,657,497**

*Developed by The Chesapeake Group, Inc., 2002.

Demand generated by residents of the tertiary market are estimated to support about 8.6 million square feet of space in 2002. This amount is expected to grow to about 9.5 million square feet by 2005. Continued growth in households will spur additional supportable space growth in the tertiary market, reaching roughly 11.3 million square feet in 2010. Table 85 contains the supportable square footage by sub-category. That table follows on the next page.

Table 83 - Tertiary Market Area Supportable Space by Category*

Category	2002	2005	2010
Food	942,656	1,044,416	1,242,644
Eat/Drink	735,723	815,143	969,855
General Merchandise	916,667	1,015,621	1,208,383
Furniture	519,802	575,917	685,226
Transportation & Utilities	2,112,774	2,340,849	2,785,136
Drugstore	373,288	413,586	492,082
Apparel	606,117	671,550	799,006
Hardware	1,030,546	1,141,799	1,358,505
Vehicle Service	438,233	485,541	577,695
Miscellaneous	925,843	1,025,792	1,220,483
TOTAL	8,601,649	9,530,214	11,339,015

*Developed by The Chesapeake Group, Inc., 2002.

From a public policy perspective, growth opportunities are critical. By focusing on opportunities that result from growth and assuming reasonable competitive positions, no sales are extracted from existing operations to create or attract new businesses. Thus and theoretically, expansion of existing businesses or new businesses do not come at the expense of existing businesses.

Table 84 defines the anticipated sales for 2002 and the change in sales for the period from 2002 to 2010 generated from the primary market for major categories. That information is based on the sub-category information contained in Table 86.

Table 84 - Change in Primary Market Area Retail Sales*

Category	2002	2002-2005	2002-2010
Food	$160,376,000	$11,802,000	$47,217,000
Eat/Drink	91,420,000	6,728,000	26,915,000
General Merchandise	165,259,000	11,709,000	46,843,000
Furniture	17,288,000	1,272,000	5,090,000
Transportation & Utilities	205,109,000	15,094,000	60,387,000
Drugstore	67,295,000	4,952,000	19,813,000
Apparel	43,464,000	3,198,000	12,796,000
Hardware	92,397,000	6,799,000	27,203,000
Vehicle Service	99,234,000	7,303,000	29,216,000
Miscellaneous	34,869,000	2,566,000	10,266,000
TOTAL	$976,709,000	$71,876,000	$287,555,000

*Developed by The Chesapeake Group, Inc., 2002.

Table 85 – Estimated Tertiary Market Area Supportable Space by Sub-category*

Sub-category	2002	2005	2010
Food	**942,656**	**1,044,416**	**1,242,644**
Supermarkets	714,355	791,470	941,689
Independents	100,951	111,848	133,077
Bakeries	37,015	41,011	48,795
Dairies	18,227	20,195	24,028
Others	72,108	79,892	95,055
Eat/Drink	**735,723**	**815,143**	**969,855**
General Merchandise	**916,667**	**1,015,621**	**1,208,383**
Dept. Stores	341,910	378,819	450,718
Variety Stores	77,821	86,222	102,587
Jewelry	27,311	30,259	36,002
Sporting Goods/Toys	102,105	113,127	134,598
Discount Dept.	340,973	377,781	449,483
Antiques, etc.	6,109	6,769	8,053
Others	20,438	22,644	26,942
Furniture	**519,802**	**575,917**	**685,226**
Furniture	126,022	139,626	166,127
Home Furnishings	164,591	182,359	216,971
Store/Office Equip.	120,290	133,276	158,572
Music Instr./Suppl.	35,590	39,433	46,917
Radios,TV, etc.	73,309	81,223	96,639
Transportation & Utilities	**2,112,774**	**2,340,849**	**2,785,136**
New/Used Vehicles	635,314	703,896	837,494
Tires, Batt., Prts.	1,067,327	1,182,546	1,406,990
Marine Sales/Rentals	104,005	115,232	137,103
Auto/Truck Rentals	306,128	339,175	403,549
Drugstore	**373,288**	**413,586**	**492,082**
Apparel	**606,117**	**671,550**	**799,006**
Men's and Boy's	63,792	70,679	84,093
Women's and Girl's	174,780	193,648	230,402
Infants	13,635	15,107	17,974
Family	180,501	199,987	237,943
Shoes	148,037	164,018	195,147
Jeans/Leather	2,597	2,878	3,424
Tailors/Uniforms	17,531	19,423	23,110
Others	5,244	5,810	6,913
Hardware	**1,030,546**	**1,141,799**	**1,358,505**
Hardware	469,337	520,004	618,697
Lawn/Seed/Fertil.	13,547	15,010	17,859
Others	547,662	606,785	721,949
Vehicle Service	**438,233**	**485,541**	**577,695**
Gasoline	42,209	46,766	55,642
Garage, Repairs	396,024	438,775	522,053
Miscellaneous	**925,843**	**1,025,792**	**1,220,483**
Advert. Signs, etc.	13,947	15,453	18,385
Barber/Beauty shop	73,112	81,005	96,379
Book Stores	29,802	33,019	39,286
Bowling	55,134	61,086	72,680
Cig./Tobacco Dealer	3,356	3,718	4,424
Dent./Physician Lab	29,503	32,688	38,892
Florist/Nurseries	42,302	46,869	55,764
Laundry, Dry Clean	27,167	30,100	35,813
Optical Goods/Opt.	16,437	18,212	21,668
Photo Sup./Photog.	47,258	52,359	62,297
Printing	70,606	78,228	93,076
Paper/Paper Prod.	51,538	57,102	67,940
Gifts/Cards/Novel.	114,263	126,598	150,626
Newsstands	3,835	4,249	5,056
Video Rent/Sales	155,813	172,634	205,399
Others	191,770	212,472	252,798
TOTAL	**8,601,649**	**9,530,214**	**11,339,015**

*Developed by The Chesapeake Group, Inc., 2002.

Table 86 - Change in Primary Market Area Retail Sales*

Sub-category	2002	2002-2005	2005-2010
Food	$160,376,000	$11,802,000	$47,217,000
Supermarkets	133,913,960	9,854,670	39,426,195
Independents	12,830,080	944,160	3,777,360
Bakeries	3,528,272	259,644	1,038,774
Dairies	2,084,888	153,426	613,821
Others	8,018,800	590,100	2,360,850
Eat/Drink	$91,420,000	$6,728,000	$26,915,000
General Merchandise	$165,259,000	$11,709,000	$46,843,000
Dept. Stores	60,319,535	4,273,785	17,097,695
Variety Stores	11,898,648	843,048	3,372,696
Jewelry	11,402,871	807,921	3,232,167
Sporting Goods/Toys	18,013,231	1,276,281	5,105,887
Discount Dept.	60,154,276	4,262,076	17,050,852
Antiques, etc.	826,295	58,545	234,215
Others	2,644,144	187,344	749,488
Furniture	$17,288,000	$1,272,000	$5,090,000
Furniture	4,079,968	300,192	1,201,240
Home Furnishings	6,016,224	442,656	1,771,320
Store/Office Equip.	3,768,784	277,296	1,109,620
Music Instr./Suppl.	743,384	54,696	218,870
Radios,TV, etc.	2,679,640	197,160	788,950
Transportation & Utilities	$205,109,000	$15,094,000	$60,387,000
New/Used Vehicles	71,788,150	5,282,900	21,135,450
Tires, Batt., Prts.	90,453,069	6,656,454	26,630,667
Marine Sales/Rentals	10,870,777	799,982	3,200,511
Auto/Truck Rentals	31,997,004	2,354,664	9,420,372
Drugstore	$67,295,000	$4,952,000	$19,813,000
Apparel	$43,464,000	$3,198,000	$12,796,000
Men's and Boy's	5,693,784	418,938	1,676,276
Women's and Girl's	14,430,048	1,061,736	4,248,272
Infants	912,744	67,158	268,716
Family	12,082,992	889,044	3,557,288
Shoes	9,083,976	668,382	2,674,364
Jeans/Leather	173,856	12,792	51,184
Tailors/Uniforms	782,352	57,564	230,328
Others	304,248	22,386	89,572
Hardware	$92,397,000	$6,799,000	$27,203,000
Hardware	44,720,148	3,290,716	13,166,252
Lawn/Seed/Fertil.	1,755,543	129,181	516,857
Others	45,921,309	3,379,103	13,519,891
Vehicle Service	$99,234,000	$7,303,000	$29,216,000
Gasoline	33,739,560	2,483,020	9,933,440
Garage, Repairs	65,494,440	4,819,980	19,282,560
Miscellaneous	$34,869,000	$2,566,000	$10,266,000
Advert. Signs, etc.	557,904	41,056	164,256
Barber/Beauty shop	2,127,009	156,526	626,226
Book Stores	1,603,974	118,036	472,236
Bowling	801,987	59,018	236,118
Cig./Tobacco Dealer	244,083	17,962	71,862
Dent./Physician Lab	1,394,760	102,640	410,640
Florist/Nurseries	2,615,175	192,450	769,950
Laundry, Dry Clean	1,185,546	87,244	349,044
Optical Goods/Opt.	836,856	61,584	246,384
Photo Sup./Photog.	2,405,961	177,054	708,354
Printing	2,824,389	207,846	831,546
Paper/Paper Prod.	1,499,367	110,338	441,438
Gifts/Cards/Novel.	4,986,267	366,938	1,468,038
Newsstands	278,952	20,528	82,128
Video Rent/Sales	4,532,970	333,580	1,334,580
Others	6,973,800	513,200	2,053,200
TOTAL	$976,711,000	$71,423,000	$285,746,000

*Developed by The Chesapeake Group, Inc., 2002.

Tables 87 and 88 contain the retail and related services sales estimates for 2002 and change anticipated for 2002 to 2010 for the secondary and tertiary markets. It is noted for comparison purposes that the change in the secondary market from 2002 to 2010 exceeds the total seals associated with the primary market in the year 2002. In fact, it is more than double those sales.

Table 87 - Change in Secondary Market Area Retail & Related Services Sales by Category*

Category	2002	2002-2005	2002-2010
Food	$980,930,000	$79,407,000	$231,306,000
Eat/Drink	743,381,000	60,177,000	175,291,000
General Merchandise	943,553,000	76,381,000	222,492,000
Furniture	624,606,000	50,562,000	147,284,000
Transportation & Utilities	2,021,663,000	163,655,000	476,713,000
Drugstore	572,278,000	46,326,000	134,945,000
Apparel	369,614,000	29,921,000	87,156,000
Hardware	785,741,000	63,606,000	185,280,000
Vehicle Service	843,882,000	68,313,000	198,990,000
Miscellaneous	439,384,000	35,568,000	103,608,000
TOTAL	$8,305,928,000	$672,371,000	$1,958,559,000

*Developed by The Chesapeake Group, Inc., 2002.

Table 88 - Change in Tertiary Market Area Retail & Related Services Sales by Category*

Sub-category	2002	2002-2005	2002-2010
Food	$504,754,000	$54,489,000	$160,631,000
Eat/Drink	294,289,000	31,769,000	93,654,000
General Merchandise	281,022,000	30,337,000	89,431,000
Furniture	165,537,000	17,870,000	52,680,000
Transportation & Utilities	726,073,000	78,380,000	231,063,000
Drugstore	186,644,000	20,148,000	59,397,000
Apparel	194,785,000	21,027,000	61,988,000
Hardware	242,426,000	26,170,000	77,149,000
Vehicle Service	180,011,000	19,432,000	57,286,000
Miscellaneous	239,713,000	25,877,000	76,285,000
TOTAL	$3,015,254,000	$325,499,000	$959,565,000

*Developed by The Chesapeake Group, Inc., 2002.

The sub-category retail and related services sales estimates for 2002 and the change from 2002 to 2010 for the secondary market is found on the page that follows in Table 88. The sub-category information for the tertiary market is found in Table 89, which is found on Page 66.

Table 88 - Change in Secondary Market Area Retail Sales*

Sub-category	2002	2002-2005	2002-2010
Food	**$980,930,000**	**$79,407,000**	**$231,306,000**
Supermarkets	819,076,550	66,304,845	193,140,510
Independents	78,474,400	6,352,560	18,504,480
Bakeries	21,580,460	1,746,954	5,088,732
Dairies	12,752,090	1,032,291	3,006,978
Others	49,046,500	3,970,350	11,565,300
Eat/Drink	**$743,381,000**	**$60,177,000**	**$175,291,000**
General Merchandise	**$943,553,000**	**$76,381,000**	**$222,492,000**
Dept. Stores	344,396,845	27,879,065	81,209,580
Variety Stores	67,935,816	5,499,432	16,019,424
Jewelry	65,105,157	5,270,289	15,351,948
Sporting Goods/Toys	102,847,277	8,325,529	24,251,628
Discount Dept.	343,453,292	27,802,684	80,987,088
Antiques, etc.	4,717,765	381,905	1,112,460
Others	15,096,848	1,222,096	3,559,872
Furniture	**$624,606,000**	**$50,562,000**	**$147,284,000**
Furniture	147,407,016	11,932,632	34,759,024
Home Furnishings	217,362,888	17,595,576	51,254,832
Store/Office Equip.	136,164,108	11,022,516	32,107,912
Music Instr./Suppl.	26,858,058	2,174,166	6,333,212
Radios,TV, etc.	96,813,930	7,837,110	22,829,020
Transportation & Utilities	**$2,021,663,000**	**$163,655,000**	**$476,713,000**
New/Used Vehicles	707,582,050	57,279,250	166,849,550
Tires, Batt., Prts.	891,553,383	72,171,855	210,230,433
Marine Sales/Rentals	107,148,139	8,673,715	25,265,789
Auto/Truck Rentals	315,379,428	25,530,180	74,367,228
Drugstore	**$572,278,000**	**$46,326,000**	**$134,945,000**
Apparel	**$369,614,000**	**$29,921,000**	**$87,156,000**
Men's and Boy's	48,419,434	3,919,651	11,417,436
Women's and Girl's	122,711,848	9,933,772	28,935,792
Infants	7,761,894	628,341	1,830,276
Family	102,752,692	8,318,038	24,229,368
Shoes	77,249,326	6,253,489	18,215,604
Jeans/Leather	1,478,456	119,684	348,624
Tailors/Uniforms	6,653,052	538,578	1,568,808
Others	2,587,298	209,447	610,092
Hardware	**$785,741,000**	**$63,606,000**	**$185,280,000**
Hardware	380,298,644	30,785,304	89,675,520
Lawn/Seed/Fertil.	14,929,079	1,208,514	3,520,320
Others	390,513,277	31,612,182	92,084,160
Vehicle Service	**$843,882,000**	**$68,313,000**	**$198,990,000**
Gasoline	286,919,880	23,226,420	67,656,600
Garage, Repairs	556,962,120	45,086,580	131,333,400
Miscellaneous	**$439,384,000**	**$35,568,000**	**$103,608,000**
Advert. Signs, etc.	7,030,144	569,088	1,657,728
Barber/Beauty shop	26,802,424	2,169,648	6,320,088
Book Stores	20,211,664	1,636,128	4,765,968
Bowling	10,105,832	818,064	2,382,984
Cig./Tobacco Dealer	3,075,688	248,976	725,256
Dent./Physician Lab	17,575,360	1,422,720	4,144,320
Florist/Nurseries	32,953,800	2,667,600	7,770,600
Laundry, Dry Clean	14,939,056	1,209,312	3,522,672
Optical Goods/Opt.	10,545,216	853,632	2,486,592
Photo Sup./Photog.	30,317,496	2,454,192	7,148,952
Printing	35,590,104	2,881,008	8,392,248
Paper/Paper Prod.	18,893,512	1,529,424	4,455,144
Gifts/Cards/Novel.	62,831,912	5,086,224	14,815,944
Newsstands	3,515,072	284,544	828,864
Video Rent/Sales	57,119,920	4,623,840	13,469,040
Others	87,876,800	7,113,600	20,721,600
TOTAL	**$8,325,032,000**	**$673,916,000**	**$1,963,065,000**

*Developed by The Chesapeake Group, Inc., 2002.

Table 89 - Change in Tertiary Market Area Retail Sales*

Sub-category	2002	2002-2005	2002-2010
Food	$504,754,000	$54,489,000	$160,631,000
Supermarkets	421,469,590	45,498,315	134,126,885
Independents	40,380,320	4,359,120	12,850,480
Bakeries	11,104,588	1,198,758	3,533,882
Dairies	6,561,802	708,357	2,088,203
Others	25,237,700	2,724,450	8,031,550
Eat/Drink	$294,289,000	$31,769,000	$93,654,000
General Merchandise	$281,022,000	$30,337,000	$89,431,000
Dept. Stores	102,573,030	11,073,005	32,642,315
Variety Stores	20,233,584	2,184,264	6,439,032
Jewelry	19,390,518	2,093,253	6,170,739
Sporting Goods/Toys	30,631,398	3,306,733	9,747,979
Discount Dept.	102,292,008	11,042,668	32,552,884
Antiques, etc.	1,405,110	151,685	447,155
Others	4,496,352	485,392	1,430,896
Furniture	$165,537,000	$17,870,000	$52,680,000
Furniture	39,066,732	4,217,320	12,432,480
Home Furnishings	57,606,876	6,218,760	18,332,640
Store/Office Equip.	36,087,066	3,895,660	11,484,240
Music Instr./Suppl.	7,118,091	768,410	2,265,240
Radios,TV, etc.	25,658,235	2,769,850	8,165,400
Transportation & Utilities	$726,073,000	$78,380,000	$231,063,000
New/Used Vehicles	254,125,550	27,433,000	80,872,050
Tires, Batt., Prts.	320,198,193	34,565,580	101,898,783
Marine Sales/Rentals	38,481,869	4,154,140	12,246,339
Auto/Truck Rentals	113,267,388	12,227,280	36,045,828
Drugstore	$186,644,000	$20,148,000	$59,397,000
Apparel	$194,785,000	$21,027,000	$61,988,000
Men's and Boy's	25,516,835	2,754,537	8,120,428
Women's and Girl's	64,668,620	6,980,964	20,580,016
Infants	4,090,485	441,567	1,301,748
Family	54,150,230	5,845,506	17,232,664
Shoes	40,710,065	4,394,643	12,955,492
Jeans/Leather	779,140	84,108	247,952
Tailors/Uniforms	3,506,130	378,486	1,115,784
Others	1,363,495	147,189	433,916
Hardware	$242,426,000	$26,170,000	$77,149,000
Hardware	117,334,184	12,666,280	37,340,116
Lawn/Seed/Fertil.	4,606,094	497,230	1,465,831
Others	120,485,722	13,006,490	38,343,053
Vehicle Service	$180,011,000	$19,432,000	$57,286,000
Gasoline	61,203,740	6,606,880	19,477,240
Garage, Repairs	118,807,260	12,825,120	37,808,760
Miscellaneous	$239,713,000	$25,877,000	$76,285,000
Advert. Signs, etc.	3,835,408	414,032	1,220,560
Barber/Beauty shop	14,622,493	1,578,497	4,653,385
Book Stores	11,026,798	1,190,342	3,509,110
Bowling	5,513,399	595,171	1,754,555
Cig./Tobacco Dealer	1,677,991	181,139	533,995
Dent./Physician Lab	9,588,520	1,035,080	3,051,400
Florist/Nurseries	17,978,475	1,940,775	5,721,375
Laundry, Dry Clean	8,150,242	879,818	2,593,690
Optical Goods/Opt.	5,753,112	621,048	1,830,840
Photo Sup./Photog.	16,540,197	1,785,513	5,263,665
Printing	19,416,753	2,096,037	6,179,085
Paper/Paper Prod.	10,307,659	1,112,711	3,280,255
Gifts/Cards/Novel.	34,278,959	3,700,411	10,908,755
Newsstands	1,917,704	207,016	610,280
Video Rent/Sales	31,162,690	3,364,010	9,917,050
Others	47,942,600	5,175,400	15,257,000
TOTAL	$3,015,254,000	$325,499,000	$959,564,000

*Developed by The Chesapeake Group, Inc., 2002.

As with sales, change in supportable space is the critical factor that clearly represents new opportunity. As found in Tables 90 and 92, supportable space generated by the primary market is expected to grow by about 806,000 square feet between 2002 and 2010. Additional growth, while not estimated, would be expected beyond that time period.

Table 90 - Change in Primary Market Area Retail Supportable Space*

Category	2002	2002-2005	2002-2010
Food	299,511	22,040	88,180
Eat/Drink	228,550	16,820	67,288
General Merchandise	539,059	38,194	152,797
Furniture	54,286	3,993	15,983
Transportation & Utilities	596,838	43,921	175,718
Drugstore	134,590	9,904	39,626
Apparel	135,248	9,951	39,820
Hardware	392,777	28,903	115,639
Vehicle Service	241,584	17,779	71,126
Miscellaneous	134,676	9,912	39,650
TOTAL	2,757,119	201,417	805,827

*Developed by The Chesapeake Group, Inc., 2002.

Tables 91 and 93 contain similar information for the secondary market. New growth is expected to generate demand for about 6.6 million square feet in the secondary market or New Castle County.

Table 91 - Change in Secondary Market Area Retail Supportable Space*

Category	2002	2002-2005	2002-2010
Food	1,831,941	148,296	431,977
Eat/Drink	1,858,453	150,443	438,228
General Merchandise	3,077,780	249,148	725,748
Furniture	1,961,325	158,770	462,486
Transportation & Utilities	5,882,767	476,213	1,387,171
Drugstore	1,144,556	92,652	269,890
Apparel	1,150,136	93,106	271,207
Hardware	3,340,164	270,387	787,620
Vehicle Service	2,054,416	166,307	484,438
Miscellaneous	1,697,038	137,374	400,167
TOTAL	23,998,576	1,942,696	5,658,932

*Developed by The Chesapeake Group, Inc., 2002.

It is also noted that significant restaurant activity opportunities are likely to evolve. Food service establishments are often associated with successful downtowns. On the other hand, general merchandise opportunities in the primary market will grow sufficiently to generate enough space for expansion as well. Such space, in today's market, is likely to involve the future development of "big box" stores outside of downtowns.

Table 92 – Estimates for 2002 and Change in Primary Market Area Retail Supportable Space*

Sub-category	2002	2002-2005	2002-2010
Food	**299,511**	**22,040**	**88,180**
Supermarkets	226,973	16,703	66,824
Independents	32,075	2,360	9,443
Bakeries	11,761	865	3,463
Dairies	5,791	426	1,705
Others	22,911	1,686	6,745
Eat/Drink	**228,550**	**16,820**	**67,288**
General Merchandise	**539,059**	**38,194**	**152,797**
Dept. Stores	201,065	14,246	56,992
Variety Stores	45,764	3,242	12,972
Jewelry	16,060	1,138	4,552
Sporting Goods/Toys	60,044	4,254	17,020
Discount Dept.	200,514	14,207	56,836
Antiques, etc.	3,593	255	1,018
Others	12,019	852	3,407
Furniture	**54,286**	**3,993**	**15,983**
Furniture	13,161	968	3,875
Home Furnishings	17,189	1,265	5,061
Store/Office Equip.	12,563	924	3,699
Music Instr./Suppl.	3,717	273	1,094
Radios,TV, etc.	7,656	563	2,254
Transportation & Utilities	**596,838**	**43,921**	**175,718**
New/Used Vehicles	179,470	13,207	52,839
Tires, Batt., Prts.	301,510	22,188	88,769
Marine Sales/Rentals	29,380	2,162	8,650
Auto/Truck Rentals	86,478	6,364	25,460
Drugstore	**134,590**	**9,904**	**39,626**
Apparel	**135,248**	**9,951**	**39,820**
Men's and Boy's	14,234	1,047	4,191
Women's and Girl's	39,000	2,870	11,482
Infants	3,042	224	896
Family	40,277	2,963	11,858
Shoes	33,033	2,430	9,725
Jeans/Leather	580	43	171
Tailors/Uniforms	3,912	288	1,152
Others	1,170	86	345
Hardware	**392,777**	**28,903**	**115,639**
Hardware	178,881	13,163	52,665
Lawn/Seed/Fertil.	5,163	380	1,520
Others	208,733	15,360	61,454
Vehicle Service	**241,584**	**17,779**	**71,126**
Gasoline	23,269	1,712	6,851
Garage, Repairs	218,315	16,067	64,275
Miscellaneous	**134,676**	**9,912**	**39,650**
Advert. Signs, etc.	2,029	149	597
Barber/Beauty shop	10,635	783	3,131
Book Stores	4,335	319	1,276
Bowling	8,020	590	2,361
Cig./Tobacco Dealer	488	36	144
Dent./Physician Lab	4,292	316	1,264
Florist/Nurseries	6,153	453	1,812
Laundry, Dry Clean	3,952	291	1,163
Optical Goods/Opt.	2,391	176	704
Photo Sup./Photog.	6,874	506	2,024
Printing	10,271	756	3,024
Paper/Paper Prod.	7,497	552	2,207
Gifts/Cards/Novel.	16,621	1,223	4,893
Newsstands	558	41	164
Video Rent/Sales	22,665	1,668	6,673
Others	27,895	2,053	8,213
TOTAL	**2,757,119**	**201,417**	**805,827**

*Developed by The Chesapeake Group, Inc., 2002.

Table 93 – Estimates for 2002 & Change in Secondary Market Area Retail Supportable Space*

Sub-category	2002	2002-2005	2002-2010
Food	**1,831,941**	**148,296**	**431,977**
Supermarkets	1,388,265	112,381	327,357
Independents	196,186	15,881	46,261
Bakeries	71,935	5,823	16,962
Dairies	35,422	2,867	8,353
Others	140,133	11,344	33,044
Eat/Drink	**1,858,453**	**150,443**	**438,228**
General Merchandise	**3,077,780**	**249,148**	**725,748**
Dept. Stores	1,147,989	92,930	270,699
Variety Stores	261,292	21,152	61,613
Jewelry	91,697	7,423	21,622
Sporting Goods/Toys	342,824	27,752	80,839
Discount Dept.	1,144,844	92,676	269,957
Antiques, etc.	20,512	1,660	4,837
Others	68,622	5,555	16,181
Furniture	**1,961,325**	**158,770**	**462,486**
Furniture	475,507	38,492	112,126
Home Furnishings	621,037	50,273	146,442
Store/Office Equip.	453,880	36,742	107,026
Music Instr./Suppl.	134,290	10,871	31,666
Radios,TV, etc.	276,611	22,392	65,226
Transportation & Utilities	**5,882,767**	**476,213**	**1,387,171**
New/Used Vehicles	1,768,955	143,198	417,124
Tires, Batt., Prts.	2,971,845	240,573	700,768
Marine Sales/Rentals	289,590	23,442	68,286
Auto/Truck Rentals	852,377	69,000	200,993
Drugstore	**1,144,556**	**92,652**	**269,890**
Apparel	**1,150,136**	**93,106**	**271,207**
Men's and Boy's	121,049	9,799	28,544
Women's and Girl's	331,654	26,848	78,205
Infants	25,873	2,094	6,101
Family	342,509	27,727	80,765
Shoes	280,907	22,740	66,239
Jeans/Leather	4,928	399	1,162
Tailors/Uniforms	33,265	2,693	7,844
Others	9,951	806	2,347
Hardware	**3,340,164**	**270,387**	**787,620**
Hardware	1,521,195	123,141	358,702
Lawn/Seed/Fertil.	43,909	3,554	10,354
Others	1,775,060	143,692	418,564
Vehicle Service	**2,054,416**	**166,307**	**484,438**
Gasoline	197,876	16,018	46,660
Garage, Repairs	1,856,540	150,289	437,778
Miscellaneous	**1,697,038**	**137,374**	**400,167**
Advert. Signs, etc.	25,564	2,069	6,028
Barber/Beauty shop	134,012	10,848	31,600
Book Stores	54,626	4,422	12,881
Bowling	101,058	8,181	23,830
Cig./Tobacco Dealer	6,151	498	1,451
Dent./Physician Lab	54,078	4,378	12,752
Florist/Nurseries	77,538	6,277	18,284
Laundry, Dry Clean	49,797	4,031	11,742
Optical Goods/Opt.	30,129	2,439	7,105
Photo Sup./Photog.	86,621	7,012	20,426
Printing	129,419	10,476	30,517
Paper/Paper Prod.	94,468	7,647	22,276
Gifts/Cards/Novel.	209,440	16,954	49,386
Newsstands	7,030	569	1,658
Video Rent/Sales	285,600	23,119	67,345
Others	351,507	28,454	82,886
TOTAL	**23,998,576**	**1,942,696**	**5,658,932**

*Developed by The Chesapeake Group, Inc., 2002.

Change in supportable space associated with the tertiary market or Harford County is expected to yield an additional 2.7 million square feet of supportable space by 2010 as found in Tables 94 and 95, found on Page 66.

Table 94 - Change in Tertiary Market Area Retail Supportable Space*

Category	2002	2002-2005	2002-2010
Food	942,656	101,762	299,988
Eat/Drink	735,723	79,423	234,135
General Merchandise	916,667	98,956	291,716
Furniture	519,802	56,114	165,421
Transportation & Utilities	2,112,774	228,076	672,362
Drugstore	373,288	40,296	118,794
Apparel	606,117	65,429	192,890
Hardware	1,030,546	111,247	327,958
Vehicle Service	438,233	47,306	139,462
Miscellaneous	925,843	99,946	294,637
TOTAL	8,601,649	928,555	2,737,363

*Developed by The Chesapeake Group, Inc., 2002.

Penetration Level Sales & Space

Potential space is derived by applying penetration levels to the total supportable sales and space associated with the markets. It is important to understand that penetration levels do not reflect the actual sales captured by an area, but the potential sales associated with the capture of the proportion of residents who come to an area at present.

Primary market area penetration is assumed to be greater than 85% at this time. Furthermore, with reasonable marketing efforts and because of the government facilities and hospital presence in downtown Elkton, penetration levels in the future are assured. Thus, the previously presented estimates, summarized in Tables 90 and 92 are not revised. Penetration levels are assumed to be constant for the primary area since they are relatively high.

Unlike the primary market where penetration levels are expected to be relatively high, they are expected to be very low in the secondary and tertiary markets because of the number of other options available to the regional residents; taxing differences between Maryland and Delaware; overall market size. resulting in greater options in Delaware; and other potential factors. However, because of the magnitude of the regional market, even a capture of very small amounts of spending can have an impact on an area the scale of downtown Elkton.

It is estimated that downtown Elkton, on at least occasions, attracts about 3% of the secondary market. Unique activities, marketing and product mix likely provide the opportunity to elevate the penetration to a maximum of 5%. The secondary market penetration is estimated at 1% and is expected to remain constant. It is noted that the current secondary and tertiary market penetration levels are considered to be virtually "statistically insignificant".

Table 95 – Estimated 2002 & Change in Tertiary Market Area Retail Supportable Space*

Sub-category	2002	2002-2005	2002-2010
Food	942,656	101,762	299,988
Supermarkets	714,355	77,116	227,334
Independents	100,951	10,898	32,126
Bakeries	37,015	3,996	11,780
Dairies	18,227	1,968	5,801
Others	72,108	7,784	22,947
Eat/Drink	735,723	79,423	234,135
General Merchandise	916,667	98,956	291,716
Dept. Stores	341,910	36,910	108,808
Variety Stores	77,821	8,401	24,766
Jewelry	27,311	2,948	8,691
Sporting Goods/Toys	102,105	11,022	32,493
Discount Dept.	340,973	36,809	108,510
Antiques, etc.	6,109	660	1,944
Others	20,438	2,206	6,504
Furniture	519,802	56,114	165,421
Furniture	126,022	13,604	40,105
Home Furnishings	164,591	17,768	52,379
Store/Office Equip.	120,290	12,986	38,281
Music Instr./Suppl.	35,590	3,842	11,326
Radios,TV, etc.	73,309	7,914	23,330
Transportation & Utilities	2,112,774	228,076	672,362
New/Used Vehicles	635,314	68,583	202,180
Tires, Batt., Prts.	1,067,327	115,219	339,663
Marine Sales/Rentals	104,005	11,227	33,098
Auto/Truck Rentals	306,128	33,047	97,421
Drugstore	373,288	40,296	118,794
Apparel	606,117	65,429	192,890
Men's and Boy's	63,792	6,886	20,301
Women's and Girl's	174,780	18,867	55,622
Infants	13,635	1,472	4,339
Family	180,501	19,485	57,442
Shoes	148,037	15,981	47,111
Jeans/Leather	2,597	280	827
Tailors/Uniforms	17,531	1,892	5,579
Others	5,244	566	1,669
Hardware	1,030,546	111,247	327,958
Hardware	469,337	50,665	149,360
Lawn/Seed/Fertil.	13,547	1,462	4,311
Others	547,662	59,120	174,287
Vehicle Service	438,233	47,306	139,462
Gasoline	42,209	4,556	13,433
Garage, Repairs	396,024	42,750	126,029
Miscellaneous	925,843	99,946	294,637
Advert. Signs, etc.	13,947	1,506	4,438
Barber/Beauty shop	73,112	7,892	23,267
Book Stores	29,802	3,217	9,484
Bowling	55,134	5,952	17,546
Cig./Tobacco Dealer	3,356	362	1,068
Dent./Physician Lab	29,503	3,185	9,389
Florist/Nurseries	42,302	4,567	13,462
Laundry, Dry Clean	27,167	2,933	8,646
Optical Goods/Opt.	16,437	1,774	5,231
Photo Sup./Photog.	47,258	5,101	15,039
Printing	70,606	7,622	22,469
Paper/Paper Prod.	51,538	5,564	16,401
Gifts/Cards/Novel.	114,263	12,335	36,363
Newsstands	3,835	414	1,221
Video Rent/Sales	155,813	16,820	49,585
Others	191,770	20,702	61,028
TOTAL	8,601,649	928,555	2,737,363

*Developed by The Chesapeake Group, Inc., 2002.

Tables 96 and 98 contain information on the "penetration" level sales potentially associated with this secondary market. In total, the 3% market share results in $513 million in sales by 2010. However, much of those sales is associated with convenience activity, such as grocery shopping, transportation, and others unlikely to be captured by Elkton even at this penetration level. Essentially sales associated with eating and drinking, general merchandise, furniture, apparel and miscellaneous are considered the types of categories and merchandise where people often travel or do comparative activity, particularly if combined with "entertainment" or other activity.

Table 96 - Secondary Market Penetration Level Retail Sales*

Category	2002	2005	2010
Food	$29,428,000	$31,810,000	$60,612,000
Eat/Drink	22,301,000	24,107,000	45,934,000
General Merchandise	28,307,000	30,598,000	58,302,000
Furniture	18,738,000	20,255,000	38,594,000
Transportation & Utilities	60,650,000	65,560,000	124,919,000
Drugstore	17,168,000	18,558,000	35,361,000
Apparel	11,088,000	11,986,000	22,838,000
Hardware	23,572,000	25,480,000	48,551,000
Vehicle Service	25,316,000	27,366,000	52,144,000
Miscellaneous	13,182,000	14,249,000	27,150,000
TOTAL	$249,178,000	$269,349,000	$513,224,000

*Developed by The Chesapeake Group, Inc., 2002.

Tertiary penetration level sales are found in Tables 97 and 99.

Table 97 - Tertiary Market Penetration Level Retail Sales*

Category	2002	2005	2010
Food	$5,047,000	$5,592,000	$6,654,000
Eat/Drink	2,943,000	3,261,000	3,879,000
General Merchandise	2,810,000	3,114,000	3,705,000
Furniture	1,655,000	1,834,000	2,182,000
Transportation & Utilities	7,261,000	8,045,000	9,571,000
Drugstore	1,866,000	2,068,000	2,460,000
Apparel	1,948,000	2,158,000	2,568,000
Hardware	2,424,000	2,686,000	3,196,000
Vehicle Service	1,800,000	1,994,000	2,373,000
Miscellaneous	2,397,000	2,656,000	3,160,000
TOTAL	$30,152,000	$33,408,000	$39,748,000

*Developed by The Chesapeake Group, Inc., 2002.

Table 98 - Secondary Market Penetration Level Retail Sales*

Sub-category	2002	2005	2010
Food	$29,428,000	$31,810,000	$60,612,000
Supermarkets	24,572,380	26,561,350	50,611,020
Independents	2,354,240	2,544,800	4,848,960
Bakeries	647,416	699,820	1,333,464
Dairies	382,564	413,530	787,956
Others	1,471,400	1,590,500	3,030,600
Eat/Drink	$22,301,000	$24,107,000	$45,934,000
General Merchandise	$28,307,000	$30,598,000	$58,302,000
Dept. Stores	10,332,055	11,168,270	21,280,230
Variety Stores	2,038,104	2,203,056	4,197,744
Jewelry	1,953,183	2,111,262	4,022,838
Sporting Goods/Toys	3,085,463	3,335,182	6,354,918
Discount Dept.	10,303,748	11,137,672	21,221,928
Antiques, etc.	141,535	152,990	291,510
Others	452,912	489,568	932,832
Furniture	$18,738,000	$20,255,000	$38,594,000
Furniture	4,422,168	4,780,180	9,108,184
Home Furnishings	6,520,824	7,048,740	13,430,712
Store/Office Equip.	4,084,884	4,415,590	8,413,492
Music Instr./Suppl.	805,734	870,965	1,659,542
Radios,TV, etc.	2,904,390	3,139,525	5,982,070
Transportation & Utilities	$60,650,000	$65,560,000	$124,919,000
New/Used Vehicles	21,227,500	22,946,000	43,721,650
Tires, Batt., Prts.	26,746,650	28,911,960	55,089,279
Marine Sales/Rentals	3,214,450	3,474,680	6,620,707
Auto/Truck Rentals	9,461,400	10,227,360	19,487,364
Drugstore	$17,168,000	$18,558,000	$35,361,000
Apparel	$11,088,000	$11,986,000	$22,838,000
Men's and Boy's	1,452,528	1,570,166	2,991,778
Women's and Girl's	3,681,216	3,979,352	7,582,216
Infants	232,848	251,706	479,598
Family	3,082,464	3,332,108	6,348,964
Shoes	2,317,392	2,505,074	4,773,142
Jeans/Leather	44,352	47,944	91,352
Tailors/Uniforms	199,584	215,748	411,084
Others	77,616	83,902	159,866
Hardware	$23,572,000	$25,480,000	$48,551,000
Hardware	11,408,848	12,332,320	23,498,684
Lawn/Seed/Fertil.	447,868	484,120	922,469
Others	11,715,284	12,663,560	24,129,847
Vehicle Service	$25,316,000	$27,366,000	$52,144,000
Gasoline	8,607,440	9,304,440	17,728,960
Garage, Repairs	16,708,560	18,061,560	34,415,040
Miscellaneous	$13,182,000	$14,249,000	$27,150,000
Advert. Signs, etc.	210,912	227,984	434,400
Barber/Beauty shop	804,102	869,189	1,656,150
Book Stores	606,372	655,454	1,248,900
Bowling	303,186	327,727	624,450
Cig./Tobacco Dealer	92,274	99,743	190,050
Dent./Physician Lab	527,280	569,960	1,086,000
Florist/Nurseries	988,650	1,068,675	2,036,250
Laundry, Dry Clean	448,188	484,466	923,100
Optical Goods/Opt.	316,368	341,976	651,600
Photo Sup./Photog.	909,558	983,181	1,873,350
Printing	1,067,742	1,154,169	2,199,150
Paper/Paper Prod.	566,826	612,707	1,167,450
Gifts/Cards/Novel.	1,885,026	2,037,607	3,882,450
Newsstands	105,456	113,992	217,200
Video Rent/Sales	1,713,660	1,852,370	3,529,500
Others	2,636,400	2,849,800	5,430,000
TOTAL	$249,750,000	$269,969,000	$514,405,000

*Developed by The Chesapeake Group, Inc., 2002.

Table 99 - Tertiary Market Penetration Level Retail Sales*

Sub-category	2002	2005	2010
Food	**$5,047,000**	**$5,592,000**	**$6,654,000**
Supermarkets	4,214,245	4,669,320	5,556,090
Independents	403,760	447,360	532,320
Bakeries	111,034	123,024	146,388
Dairies	65,611	72,696	86,502
Others	252,350	279,600	332,700
Eat/Drink	**$2,943,000**	**$3,261,000**	**$3,879,000**
General Merchandise	**$2,810,000**	**$3,114,000**	**$3,705,000**
Dept. Stores	1,025,650	1,136,610	1,352,325
Variety Stores	202,320	224,208	266,760
Jewelry	193,890	214,866	255,645
Sporting Goods/Toys	306,290	339,426	403,845
Discount Dept.	1,022,840	1,133,496	1,348,620
Antiques, etc.	14,050	15,570	18,525
Others	44,960	49,824	59,280
Furniture	**$1,655,000**	**$1,834,000**	**$2,182,000**
Furniture	390,580	432,824	514,952
Home Furnishings	575,940	638,232	759,336
Store/Office Equip.	360,790	399,812	475,676
Music Instr./Suppl.	71,165	78,862	93,826
Radios,TV, etc.	256,525	284,270	338,210
Transportation & Utilities	**$7,261,000**	**$8,045,000**	**$9,571,000**
New/Used Vehicles	2,541,350	2,815,750	3,349,850
Tires, Batt., Prts.	3,202,101	3,547,845	4,220,811
Marine Sales/Rentals	384,833	426,385	507,263
Auto/Truck Rentals	1,132,716	1,255,020	1,493,076
Drugstore	**$1,866,000**	**$2,068,000**	**$2,460,000**
Apparel	**$1,948,000**	**$2,158,000**	**$2,568,000**
Men's and Boy's	255,188	282,698	336,408
Women's and Girl's	646,736	716,456	852,576
Infants	40,908	45,318	53,928
Family	541,544	599,924	713,904
Shoes	407,132	451,022	536,712
Jeans/Leather	7,792	8,632	10,272
Tailors/Uniforms	35,064	38,844	46,224
Others	13,636	15,106	17,976
Hardware	**$2,424,000**	**$2,686,000**	**$3,196,000**
Hardware	1,173,216	1,300,024	1,546,864
Lawn/Seed/Fertil.	46,056	51,034	60,724
Others	1,204,728	1,334,942	1,588,412
Vehicle Service	**$1,800,000**	**$1,994,000**	**$2,373,000**
Gasoline	612,000	677,960	806,820
Garage, Repairs	1,188,000	1,316,040	1,566,180
Miscellaneous	**$2,397,000**	**$2,656,000**	**$3,160,000**
Advert. Signs, etc.	38,352	42,496	50,560
Barber/Beauty shop	146,217	162,016	192,760
Book Stores	110,262	122,176	145,360
Bowling	55,131	61,088	72,680
Cig./Tobacco Dealer	16,779	18,592	22,120
Dent./Physician Lab	95,880	106,240	126,400
Florist/Nurseries	179,775	199,200	237,000
Laundry, Dry Clean	81,498	90,304	107,440
Optical Goods/Opt.	57,528	63,744	75,840
Photo Sup./Photog.	165,393	183,264	218,040
Printing	194,157	215,136	255,960
Paper/Paper Prod.	103,071	114,208	135,880
Gifts/Cards/Novel.	342,771	379,808	451,880
Newsstands	19,176	21,248	25,280
Video Rent/Sales	311,610	345,280	410,800
Others	479,400	531,200	632,000
TOTAL	**$30,151,000**	**$33,408,000**	**$39,748,000**

*Developed by The Chesapeake Group, Inc., 2002.

Tables 100 and 101 provide the breakdown of penetration level space by major category for the secondary market and the change in supportable space for 2002 to 2005 and 2005 to 2010.

Table 100 - Secondary Market Penetration Level Supportable Space*

Category	2002	2005	2010
Food	54,959	59,407	113,196
Eat/Drink	55,753	60,268	114,835
General Merchandise	92,335	99,808	190,175
Furniture	58,839	63,603	121,189
Transportation & Utilities	176,484	190,771	363,498
Drugstore	34,336	37,116	70,722
Apparel	34,503	37,297	71,065
Hardware	100,203	108,315	206,389
Vehicle Service	61,631	66,622	126,944
Miscellaneous	50,914	55,034	104,863
TOTAL	719,957	778,241	1,482,876

*Developed by The Chesapeake Group, Inc., 2002.

Table 101 - 2002 and Change in Secondary Market Penetration Level Supportable Space*

Category	2002	2002-2005	2002-2010
Food	1,831,941	4,448	58,238
Eat/Drink	1,858,453	4,513	59,080
General Merchandise	3,077,780	7,473	97,845
Furniture	1,961,325	4,763	62,350
Transportation & Utilities	5,882,767	14,287	187,013
Drugstore	1,144,556	2,780	36,386
Apparel	1,150,136	2,794	36,563
Hardware	3,340,164	8,111	106,185
Vehicle Service	2,054,416	4,988	65,309
Miscellaneous	1,697,038	4,120	53,949
TOTAL	23,998,576	58,277	762,918

*Developed by The Chesapeake Group, Inc., 2002.

Table 103 contains the 2002 estimated penetration levels space and change in penetration level space by sub-category for the secondary market.

The table below contains the information in supportable penetration levels space for the tertiary market.

Table 102 - Tertiary Market Penetration Level Supportable Space*

Category	2002	2005	2010
Food	9,425	10,443	12,427
Eat/Drink	7,358	8,153	9,698
General Merchandise	9,165	10,157	12,085
Furniture	5,198	5,759	6,852
Transportation & Utilities	21,128	23,409	27,850
Drugstore	3,732	4,136	4,920
Apparel	6,060	6,715	7,991
Hardware	10,304	11,418	13,586
Vehicle Service	4,382	4,855	5,777
Miscellaneous	9,258	10,258	12,206
TOTAL	86,010	95,303	113,392

*Developed by The Chesapeake Group, Inc., 2002.

Table 103 - 2002 and Change in Secondary Market Penetration Level Supportable Space*

Sub-category	2002	2002-2005	2002-2010
Food	1,831,941	4,448	58,238
Supermarkets	1,388,265	3,371	44,133
Independents	196,186	476	6,237
Bakeries	71,935	175	2,287
Dairies	35,422	86	1,126
Others	140,133	340	4,455
Eat/Drink	1,858,453	4,513	59,080
General Merchandise	3,077,780	7,473	97,845
Dept. Stores	1,147,989	2,787	36,495
Variety Stores	261,292	634	8,307
Jewelry	91,697	223	2,915
Sporting Goods/Toys	342,824	832	10,899
Discount Dept.	1,144,844	2,780	36,395
Antiques, etc.	20,512	50	652
Others	68,622	167	2,182
Furniture	1,961,325	4,763	62,350
Furniture	475,507	1,155	15,116
Home Furnishings	621,037	1,508	19,743
Store/Office Equip.	453,880	1,102	14,429
Music Instr./Suppl.	134,290	326	4,269
Radios,TV, etc.	276,611	672	8,793
Transportation & Utilities	5,882,767	14,287	187,013
New/Used Vehicles	1,768,955	4,296	56,235
Tires, Batt., Prts.	2,971,845	7,218	94,475
Marine Sales/Rentals	289,590	703	9,206
Auto/Truck Rentals	852,377	2,070	27,097
Drugstore	1,144,556	2,780	36,386
Apparel	1,150,136	2,794	36,563
Men's and Boy's	121,049	294	3,848
Women's and Girl's	331,654	806	10,543
Infants	25,873	63	823
Family	342,509	832	10,888
Shoes	280,907	682	8,930
Jeans/Leather	4,928	12	157
Tailors/Uniforms	33,265	81	1,058
Others	9,951	24	316
Hardware	3,340,164	8,111	106,185
Hardware	1,521,195	3,694	48,359
Lawn/Seed/Fertil.	43,909	107	1,396
Others	1,775,060	4,310	56,430
Vehicle Service	2,054,416	4,988	65,309
Gasoline	197,876	480	6,290
Garage, Repairs	1,856,540	4,508	59,019
Miscellaneous	1,697,038	4,120	53,949
Advert. Signs, etc.	25,564	62	813
Barber/Beauty shop	134,012	325	4,260
Book Stores	54,626	133	1,737
Bowling	101,058	245	3,213
Cig./Tobacco Dealer	6,151	15	196
Dent./Physician Lab	54,078	131	1,719
Florist/Nurseries	77,538	188	2,465
Laundry, Dry Clean	49,797	121	1,583
Optical Goods/Opt.	30,129	73	958
Photo Sup./Photog.	86,621	210	2,754
Printing	129,419	314	4,114
Paper/Paper Prod.	94,468	229	3,003
Gifts/Cards/Novel.	209,440	509	6,658
Newsstands	7,030	17	223
Video Rent/Sales	285,600	694	9,079
Others	351,507	854	11,174
TOTAL	23,998,576	58,277	762,918

*Developed by The Chesapeake Group, Inc., 2002.

Table 104 - 2002 and Change in Tertiary Market Penetration Level Supportable Space*

Category	2002	2002-2005	2002-2010
Food	942,656	1,018	2,999
Eat/Drink	735,723	795	2,343
General Merchandise	916,667	989	2,917
Furniture	519,802	561	1,654
Transportation & Utilities	2,112,774	2,281	6,724
Drugstore	373,288	404	1,188
Apparel	606,117	655	1,929
Hardware	1,030,546	1,114	3,282
Vehicle Service	438,233	472	1,395
Miscellaneous	925,843	1,000	2,946
TOTAL	8,601,649	9,289	27,377

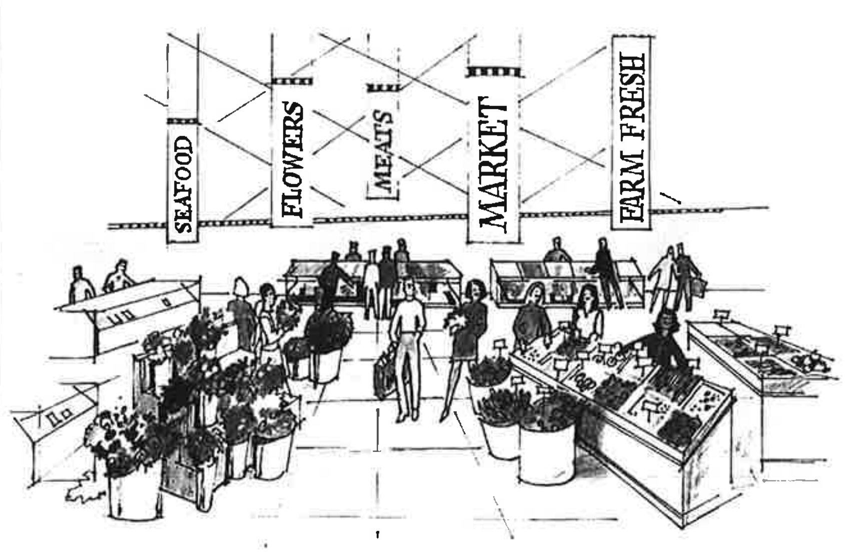
*Developed by The Chesapeake Group, Inc., 2002.

Retail Demand Implications

The following activity could represent a core critical mass of additional retail and related service activity in the central business district. What is important to note ia that each of the functional retail components essentially involves internal critical mass sufficient to make it work independent of others.

✓ A collection of independent food vendors, such as bakeries, fresh produce dealers, and fresh poultry dealers in a "market" atmosphere and setting, under one roof. About 15,000 to 20,000 square feet of such space could develop.

Market Illustration



✓ Several food service (restaurant) establishments of between 15,000 to 20,000 square feet. To differentiate such activity, it is suggested that the collection be developed, as one option, in the traditional main street area, anchored or nearby the above "market". The restaurants are expected to be a combination of family oriented price and range restaurants, with an entertainment venue in at least one. That entertainment could be in the form of commercial recreation or sports.

✓ In addition to those opportunities identified through demand, wedding related activity and electronics operations were identified through the comparative assessment component.

Table 105 - 2002 and Change in Tertiary Market Penetration Level Supportable Space*

Sub-category	2002	2002-2005	2002-2010
Food	**942,656**	**1,018**	**2,999**
Supermarkets	714,355	771	2,273
Independents	100,951	109	321
Bakeries	37,015	40	118
Dairies	18,227	20	58
Others	72,108	78	229
Eat/Drink	**735,723**	**795**	**2,343**
General Merchandise	**916,667**	**989**	**2,917**
Dept. Stores	341,910	369	1,088
Variety Stores	77,821	84	248
Jewelry	27,311	29	87
Sporting Goods/Toys	102,105	110	325
Discount Dept.	340,973	368	1,085
Antiques, etc.	6,109	7	19
Others	20,438	22	65
Furniture	**519,802**	**561**	**1,654**
Furniture	126,022	136	401
Home Furnishings	164,591	178	524
Store/Office Equip.	120,290	130	383
Music Instr./Suppl.	35,590	38	113
Radios,TV, etc.	73,309	79	233
Transportation & Utilities	**2,112,774**	**2,281**	**6,724**
New/Used Vehicles	635,314	686	2,022
Tires, Batt., Prts.	1,067,327	1,152	3,397
Marine Sales/Rentals	104,005	112	331
Auto/Truck Rentals	306,128	331	974
Drugstore	**373,288**	**404**	**1,188**
Apparel	**606,117**	**655**	**1,929**
Men's and Boy's	63,792	69	203
Women's and Girl's	174,780	188	556
Infants	13,635	15	43
Family	180,501	195	575
Shoes	148,037	160	471
Jeans/Leather	2,597	3	8
Tailors/Uniforms	17,531	19	56
Others	5,244	6	17
Hardware	**1,030,546**	**1,114**	**3,282**
Hardware	469,337	507	1,495
Lawn/Seed/Fertil.	13,547	15	43
Others	547,662	592	1,744
Vehicle Service	**438,233**	**472**	**1,395**
Gasoline	42,209	45	134
Garage, Repairs	396,024	427	1,261
Miscellaneous	**925,843**	**1,000**	**2,946**
Advert. Signs, etc.	13,947	15	44
Barber/Beauty shop	73,112	79	233
Book Stores	29,802	32	95
Bowling	55,134	60	175
Cig./Tobacco Dealer	3,356	4	11
Dent./Physician Lab	29,503	32	94
Florist/Nurseries	42,302	46	135
Laundry, Dry Clean	27,167	29	86
Optical Goods/Opt.	16,437	18	52
Photo Sup./Photog.	47,258	51	150
Printing	70,606	76	225
Paper/Paper Prod.	51,538	56	164
Gifts/Cards/Novel.	114,263	123	364
Newsstands	3,835	4	12
Video Rent/Sales	155,813	168	496
Others	191,770	207	610
TOTAL	8,601,649	9,289	27,377

*Developed by The Chesapeake Group, Inc., 2002.

Office Demand

As is apparent from area reconnaissance and other activity, much downtown space is already associated with office activity. Importantly, continued and expanded opportunity for office space exists.

As with retail activity, demand for office space is generated by the growing need for services resulting from the household growth and the growing labor force that represents opportunities upon which astute businesses can capitalize.

The central business district area has a proven track record with employment generation. It is the home of a major portion of the medical related employment activity in the area, government services and ancillary activity related to both.

Based on historic industry breakdown in the area, changing population demographics, anticipated growth in employment and the proportion of space associated with office activity for various industries and employment, growth in office space demand can be estimated. The following estimates are made for the primary market area or Cecil County.

- Total labor force increases between 2002 and 2010 are estimated at roughly 7,500 for Cecil County. This figure combines growth from new households and increases from existing households.

- The average amount of space associated with each new office employee is estimated at 250 square feet. This includes all footage associated with activity, such as hallways, lobbies, etc.

By applying the average 250 square feet per office employee and proportions of the labor force likely to be associated with office development (estimated to be about one-third of all new labor force growth), total demand for new office space can be generated. Table 106 contains the demand estimates.

Cecil County is expected to generate demand for about 625,000 square feet of additional space over the next eight years.

Table 106 – New Office Space Estimates for the Primary Market*

Time Period	Cecil County
2002 to 2010	625,000

*Developed by The Chesapeake Group, Inc., 2002.

There is a reasonable probability that a significant share of this space could be associated with downtown Elkton. A capture of 5% to 10% of this space is potentially justifiable based on the current internal concentrations within the central business area. Thus, between 30,000 to 60,000 square feet of additional office space may be marketable in the foreseeable future within downtown.

Implementation Strategy

The market analysis indicates that there is a significant opportunity for expansion of the activity base in downtown Elkton, given the size of the current downtown. This opportunity results from anticipated continued growth in the markets for goods and services, the history of Elkton and its downtown, and its significant medical and institutional anchor activity that is in place.

The defined opportunities include:

✓ About 15,000 to 20,000 square feet, consisting of a collection of independent food vendors, such as bakeries, fresh produce dealers, and fresh poultry dealers in a "market" atmosphere and setting, under one roof.

✓ Between 15,000 to 20,000 square feet of food service (restaurant) establishments, potentially combining family oriented price and range restaurants, with an entertainment venue in at least one. That entertainment could be in the form of commercial recreation or sports.

✓ Wedding related activity and electronics operations, ranging from places or areas to conduct weddings to retail activity associated with weddings, including catering, apparel, chocolates, and invitations and printing.

✓ Between 30,000 to 60,000 square feet of additional office space.

Pursuit of the combined activity provides the opportunity to add substantial additional critical mass of unique activity for downtown Elkton.

As noted, much of the activity results from or is related to Elkton's history. Downtown Elkton is ideal for the creation of a "city market", that is reminiscent of a by-gone era, because of its historic character and flavor. The wedding opportunities result directly from the history as the "wedding capital" of the entire country (as well as the growth in population and demographics in the market), while the office space results from the existing concentration of activity, both of past and current history as the county seat, purveyor of state government services, and a place to obtain medical, legal and education services. Thus, the future for downtown Elkton is very much linked to its past not just from a development perspective but from very facets of any reasonable implementation program targeted toward enhancement of the downtown and expanding its marketable base of activity.

General Suggestions

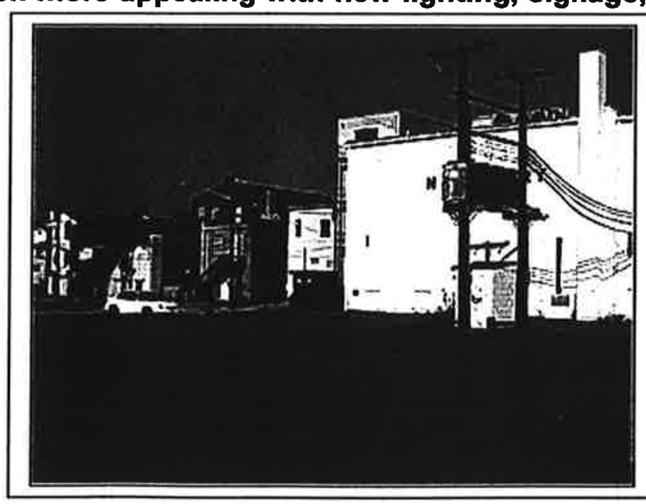
It is not the purview of The Chesapeake Group's consulting efforts for Elkton to focus upon physical aspects of the downtown. However, the analysis, interviews and reconnaissance of the downtown did result in general recommendations some of which are geared toward physical aspects of the central core. These suggestions follow.

✓ The various surveys along with the Downtown Revitalization Plan suggested an expanded use of the Farmers' Market in the area of Bow Street between Main and Howard Streets. Despite very reasonable vendor's fees ($5 per day to $175 per season) there was only one vendor present during most of the season. **(1) It is recommended that the Town and the Alliance aggressively pursue new vendors to the Farmers' Market** as a means of fostering increased activity for the short-term and enhancing the opportunity for the "city market" for the longer-term.

✓ Problems and complaints related to parking and the perceived shortage of it were common. This is particularly true for businesses along Main Street where the majority of parking spaces are located behind the establishments. It is common knowledge and easily observed that prime on-street parking spaces on and around Main Street are regularly used by individuals other than patrons. These individuals include business owners and operators, employees, other downtown workers and upstairs tenants. This situation can and should be remedied by members of the business community. It is likely that this problem can be mitigated through **(2) improved parking management techniques**.

✓ It was observed that some downtown visitors intent on using the Courts or other public agencies will sometimes use on-street parking spaces on West or East Main Street in the area of North Street and then walk east on Main Street. This **(3) use of potential retail oriented spaces may be alleviated with new signage directing visitors to off-street parking adjacent to the public offices and facilities.**

✓ **(4) It is also recommended that off-street parking be better utilized**, particularly the lots between Main and Howard Streets. Today the lots are underutilized, uninviting and unattractive. The **lots could be made much more appealing with new lighting, signage, landscaping, pedestrian amenities, resurfacing and some sort of treatment ("bundling") to the utilities.**



✓ The redevelopment of the Main Street Renaissance building offers the Town the opportunity to reconfigure this area from what is now viewed as a negative into a positive. The new Renaissance project will have an orientation to the rear and people will be able to park and enter the building, and ultimately Main Street, from the rear entrance.

✓ If **(5) other properties, as they are renovated, were to make the rear of their buildings more pedestrian oriented and appealing, visitors and patrons would be more inclined to utilize the parking areas in the rears of the structures. This new building design, combined with parking lot improvements**, could help the area take on a whole new look and feel.

✓ Large trucks, 18-wheelers, still attempt to turn left from North Street in order to head east on Main Street. The new streetscape layout does not easily allow for such movements. **(6) It is recommended that large trucks, such as 18-wheelers, be prohibited from certain downtown streets, including Main Street.**

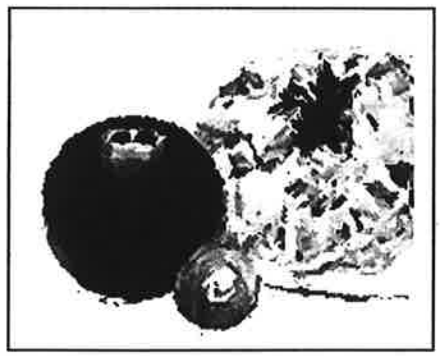
✓ **(7) Whenever and wherever possible, loading and unloading activities should take place to the side or the rear of buildings. If not possible, attempts should be made to have deliveries at off-peak times.**

✓ There were a number of complaints through the surveys and interviews regarding the condition of the converted units along "Attorney Row", and there is evidence of neglect and disrepair on a number of properties. **(8) The Town should consider code enforcement as a follow-up to the streetscape improvements.**

✓ **The upper floors on a number of buildings in and around the "retail section" of Main Street are unused (the Howard House, North Street Hotel, etc.). (9) The introduction of apartments would add to the market, or conversion to active office space would also be appropriate.**

✓ A significant segment of the current patronage relates directly to public and private sector employees and visitors. Additionally, the Community College, particularly after its pending expansion, can add to the market. Thus, **(10) the Town should continue to seek expansion of the educational institution's venue.**

✓ As defined, additional restaurant activity, particularly that having an entertainment venue, is marketable. The surveys generated a number of suggestions for **(11) entertainment or eating and drinking establishments that could function as destination operations**. Such facilities might be similar to **a "Jillian's" entertainment complex or a Harvard Brew Pub.**

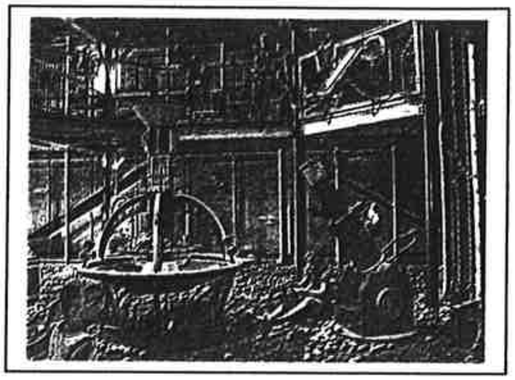


A "Jillian's" type of establishment combines reasonably priced food and beverage with varied sports oriented entertainment activity. The two are "married" in the establishment in concept.

The concept generally combines "low tech" or traditional activity, such as billiards and bowling, with "high tech" state of the art computer simulations.

The concept has been highly successful at attracting upwardly mobile households in their 20's and 30's, although not exclusively marketed to these groups.

Such establishments are, in any number of locations, multi-story. The success of attracting such an establishment would be dependent upon a number of factors including adequate building and parking space.



An alternative that would reach out to families and youth that represent the future market would be a traditional restaurant (non-fast food) combined with children's activities.

Marketing Downtown

The major marketing goals are threefold. These are to:

1. Increase shopping frequency of current customers.
2. Attract new customers to the downtown area.
3. Create an atmosphere where additional retail businesses want to locate.

There are essentially five marketing methodologies, whether they are related to business or developer recruitment, increased market penetration, or expanding sales or revenues by attracting more dollars from existing patrons. These are:

A. Public Relations. Creating newsworthy information sent to the editorial departments of publications and electronic media for reporting. (There is no guarantee of the media's use. However, when used, it carries the authority of an editor's evaluation that it is important.)

B. Direct Marketing. Directly contacting decision makers, "recommenders" and potential customers with an individualized message, using mailing lists, memberships, associations via mail, internet e-mail, faxes, etc.

C. Special Events. Inviting special interest groups to "presentations" and "events" in some way highlighting the new community's benefits and assets, or just getting people use to coming to an area for a certain purpose or purposes.

D. Cooperative Ventures. Public and private partnerships, non-competitive companies and groups, sharing the same "common interest" and benefit, by dividing the marketing responsibilities and expenses.

E. Advertising. Media planning, placement, and creative production combine to achieve the marketing goals. These paid messages are "guaranteed" exposure and "calls to action".

In all cases, collateral materials, such as brochures, newsletters, presentation packages, direct mailers, banners, web pages, and other materials are produced to facilitate the promotion to potential developers, residents and the media, are required.

The following strategies employ the above to one degree or another and are created to help individual merchants attract new customers and retain current customers. Additional strategies are developed for the business community to work jointly on marketing and promotional activities.

(12) Strategies for Individual Merchants to Increase Their Sales or Revenues from Their Current Customer Base:

Small business owners know they cannot serve the whole world; but they can find a niche and be the best in that segment. Focusing on a niche market is a powerful tool in attracting and retaining customers. It is important to establish oneself in that particular market and be the best merchant possible. Harnessing the existing customer base is less expensive than attracting new customers. Every effort should be made to keep the existing customer base coming back.

As noted, merchants need to focus first on their current customer base. Each merchant needs to utilize strategies to increase the shopping frequency of current patrons. There are several strategies and techniques merchants can employ to retain their current customer base and increase the frequency of shopping trips. One rule for merchants to follow if they want to increase the shopping frequency of current customers is to consistently maintain regular hours and days that meet the needs of the market and not their own personal needs.

A second rule is that merchants must maintain quality inventory control. If a consumer knows they can buy a certain brand, it must be available to them every time they visit the store. For example, the downtown drug store might stock items such as special support hose, canes, walkers, and other things that may not be sold in discount stores. A hardware store could promote individual service and the fact that customers can "buy only what they need", which separates them from larger stores offering similar items, where you have to buy in quantity. A florist can distinguish itself by keeping records of customers' birthdays and anniversaries and sending "reminder" cards with a re-order form.

There are many marketing "lessons". One lesson to be learned is from the pharmaceutical company that shelved a cold medicine, because they could not correct the drowsiness it produced. Someone renamed it "NyQuil", and it sold it as a bedtime cold medicine. It became the best selling medicine on the market. Just because your product is good does not mean it will sell. It must be positioned correctly.

The following are some examples of "drawing cards" or "tactics" small businesses can use. Each business must provide customers with a perceived "long-range value above a price that covers what may be higher costs". The key is to give value to the customers.

- ✓ Merchants can entice more frequent shopping by offering greater personal service, including telephone orders and free delivery. Make the customers feel special. Use signs effectively to indicate where convenient parking is located, hours of operation and forthcoming special offers. Offer "White Glove" service that includes special gift wrapping, complimentary tea, coffee or soft drinks and carrying packages to the car. Service wins long-term customers.

- ✓ Create an attractive image inside and outside the store. Clearly identify what the store is offering. If a restaurant is offering "Two Hot Dogs for $1.59", there should be an attractive sign advertising this special in the window. Lunch specials should be advertised everyday and weekly specials can be posted in the store, on the outside window and faxed to nearby offices. Customers should also be encouraged to fax their lunch orders and every effort should be made to have them ready before the customer arrives. A jeweler could use a simple sign that says, "Don't Throw That Watch Away". The jeweler could repair the watch, sell batteries, new watchbands or new cases and make an old watch new again and attract more customers.

Effective use of window displays is very important in attracting customers. Customers are encouraged to shop when there are attractive, well-lit store displays that reflect the goods and services being sold inside the store. Signs in the store indicating Value Pricing, special offers, special discounts and reminders of other ways to spend money are also important. Inside signs spur impulse buying, act as silent salespeople, merchandise your offerings and cross-merchandise. Make the interior space inviting. The longer customers linger, the more they spend. Cleanliness and attractive decorations help provide an interesting and inviting atmosphere.

✓ Create special discount cards to encourage current customers to shop more frequently. These cards can include a percentage discount or buy "five" or more items and get "one" free, or exclusive sales for cardholders. Create a VIP Shopper Card. Select items throughout the store as "VIP Card Holder Prices" and offer those items to frequent shoppers at a discount. A special club card can offer a free cup of coffee after purchasing "ten" cups or "25%" off on the next purchase of clothing on the shopper's next visit. Customers should be encouraged to provide information to obtain the card, such as name, address and phone number, which would be the basis of a mailing list, that will notify the customer first so they can take advantage of future sales and promotions.

✓ Create and maintain effective business lists. One of the biggest mistakes small businesses often make is failing to stay in touch with customers. Most retailers have developed a mailing list. If merchants do not have a list or there is a need to update a list, they can use the records from credit card sales to create a mailing list. They can ask customers to sign a card for special offers. Placing business cards in containers are important as a base for mailing lists.

Special mailings can be made throughout the year to promote frequency of customer shopping. These could be specials or coupons or tied to a holiday or special occasion. The mailings can revitalize the customer base by reaching those who have not shopped recently. Promote with postcards. They are less expensive and the message is out in the open, where other potential customers can see it. Mail greeting cards to customers. Use data from the cards they have previously filled in and send "Happy Birthday" greetings that can be accompanied with a special gift. Use deadlines on any offers.

✓ Add personality to the business. Use photos of the owner and staff in the store and in promotional materials. A quote from the person pictured conveys friendliness and builds confidence in your company. This is a personal touch that puts faces on businesses.

(13) Strategies for Individual Merchants to Attract New Customers:

Special efforts have to be made by merchants to encourage people to shop downtown. This includes people who are visiting the area for medical care, professional services or visiting the public sector facilities and offices. People coming to the downtown area for a variety of reasons are not shopping on Main Street and they need to be enticed to frequent the few retail businesses in downtown Elkton. There are several strategies and techniques merchants can employ to encourage new shoppers and increase their customer base.

A combination of creativity, relationships, and hard work can help small businesses with limited advertising budgets get noticed and compete in the marketplace. There are many things merchants can do to court new customers and significantly increase their income. For example, a jewelry store might offer "Free Cleaning" on all diamonds for one year after the sale or a pharmacist could offer "A Free Consultation" to first time customers. Successfully reaching new customers takes imagination, experimentation and observation.

✓ Based on the survey findings, the majority of businesses in Elkton are using some form of advertising. Most merchants advertise in the Yellow Pages. Some use newspapers and some use cable. Many marketing campaigns, advertising promotions and small business marketing ideas produce disappointing results. The reasons for this include: advertising in the wrong medium, misidentifying the target market, unrealistic expectations of demand for the product, uncompetitive pricing, or the absence of a compelling marketing message or company identity. Businesses in downtown should buy ads that last months, not minutes. Radio and television ads have to be bought for the long-term to be effective. Alert the media when something special is happening like a new product or contest. Make sure you notify them at least a week in advance and have some written materials to give them when they cover your promotion.

✓ Develop a captivating message that will make people stop and pay attention to the message. People respond best to an advertising message that sells products or services that make them feel better, give them comfort, solve problems, make life easier or more fun, bring families together and attract members of the opposite sex. Advertisements that focus on the benefits, good feelings and positive emotions produce the best results. Product or service features are also important, but are secondary to feelings created by the advertisement. Service sells and people will pay attention to the merchant who "gives every customer special consideration."

Effective messages Elkton businesses can use should reflect the "small town" atmosphere most people remember and was lost in the hustle and bustle of malls and mega-stores. You need to remind people of the small town service, dependability of merchants, and trustworthiness of downtown businesses. For example, signs and advertisements should say "A Business You Can Trust," or "Real People to Talk To, The More You know Us...The Better You'll Like Us," and "Main Street, Where Everybody Knows Your Name". Advertising should include words such as small town service, dependable, trustworthy, personal service and customers come first. Consistency is a must. (McDonalds advertises everyday on every channel, because the marketing message must be constantly reinforced to be effective.)

✓ Identify opportunities to cost effectively reach your target market. Be prepared to negotiate advertising rates because all media rates are negotiable. Elkton has an excellent newspaper, the Cecil Whig, which can be an effective tool for carrying the message. The cable system, operated by Comcast, is another excellent source for reaching new customers.

✓ The following are some tips for print advertising.

- A two-page spread attracts about one-quarter more readers than a one-page ad.
- A full-page ad attracts one-third more readers than a half-page ad.
- People respond better to illustrations or photographs showing the product in use rather than those that show the product just sitting there.

- Ads with people in them attract more attention than those without.
- Cable TV, commercial TV and radio advertisements should be short, to the point and memorable.
- Some ads can be too clever, and they are remembered for being obnoxious. You want to create a positive attitude about your business and yourself.

✓ In addition to media advertising, other opportunities are available to the small merchant. Take advantage of the many festivals, concerts and other events in the community, such as "Music on Main Street", the auto shows sponsored by Stewart's Root Beer and other existing events, by distributing flyers, brochures and other promotional items. This can be a simple card placed on windshields that encourages customers to take advantage of a special sale. If an event is taking place anywhere in the vicinity, merchants can offer samples of their goods, or make up and give away small advertising packages or advertising gimmicks such as pens, calendars, magnets. Some businesses may prefer to have a clown or other character in front of their store to attract attention as people drive downtown. Another opportunity is to hand out flyers containing coupons to festival participants encouraging them to visit your store. Having a sidewalk sale the day of the festival or concert attracts people.

Many local institutions, such as the Elkton's downtown medical complex, government offices, community college, and the courts have bulletin boards and/or newsletters. Use those options as vehicles to get your message out to potential new customers. Always take advantage of fax machines in the many offices to advertise your business and to offer specials. Since there are so many offices, it would be good to have a "two-for-one" special, which encourages two employees to take advantage of your goods or services or a special gift for one customer that brings in another one.

✓ Look for potential referral sources. Figure out who could send business your way and keep in touch with them. This could include local service organizations, hotels, motels, gasoline stations, museums or other places people gather.

✓ Be visible. Use ads in the Yellow Pages, high school program books and event program books. Provide your employees with business cards. Community involvement is very important in acquiring new customers. No one is better than the owner when it comes to representing the business. Join clubs and organizations. Take part in community activities such as festivals and offer services. These take more time and legwork than money; but can be very effective in reaching out to the community.

Community involvement includes working with local charities by donating prizes. Become involved with the local police and fire department activities. Anything that offers an opportunity to have a picture or mention in the newspaper is a form of marketing.

✓ Offering special discount cards to employees in the hospital, courts or public facilities can attract new customers. Special group discounts for other area employers can also produce an additional customer base. The hospital and other local services celebrate "The Nurse of the Year", or "The Secretary of the Month", or other types of merit awards. Make sure the businesses have gifts or gift certificates to present to each one. Inviting students with good grades or exceptional attendance to receive small gifts is one idea. The students will have to bring a parent or another adult to receive the gifts and the owners reap the benefits of showing someone their businesses.

Joint Marketing and Promotional Opportunities:

Merchants in a small community often benefit greatly from joint marketing projects and promotional events. By banding together, they can create a community-wide promotion that is both cost effective and good for business. There is also the potential to create cooperative relationships between the merchants in a community and organizations and associations, which will benefit the community and bring new potential customers to the area.

Joint opportunities require the leadership of an existing organization to plan and implement the project, the creation of a new organization, a special committee to take responsibility for the joint ventures, or even a single merchant who will take the responsibility for the joint promotion. Participating merchants should each contribute equal amounts for the costs involved in the promotions by way of dues, special fees, or goods and services.

✓ As defined, history is fundamental to the future success of downtown Elkton, including future event activity. A **(14) "Patriot Weekend"** celebrating Elkton's connection to General George Washington and the Marquis de Lafayette can be held as a special event. Elkton is connected to the Revolutionary War and the War of 1812 by a rich history. The Historical Society of Cecil County is an excellent resource for this promotion and should be involved in it. This can be created as an on-going promotion on more than one weekend or day.

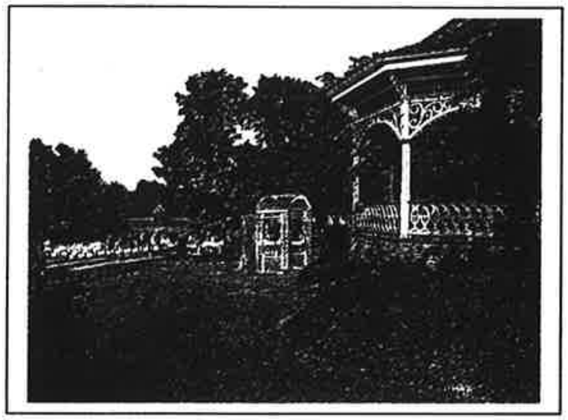
"Patriot Weekend" can bring together all of the downtown businesses. The weekend would include period music from the Revolutionary War era, and concerts would be scheduled during the day and evening hours. Merchants would dress in costumes of the period and would decorate their stores, using a patriotic theme. Historical portrayals would be scheduled; so, visitors could meet and talk with Washington and Lafayette. A tour of Revolutionary War and War of 1812 sites in Elkton would be developed, which would culminate in a tour of the building that served as a hospital during the war. To tie in and benefit merchants, a street festival would be organized to include various entertainers, such as stilt walkers, storytellers, patriotic face painting for children.

There is a promotion company in Drexel Hill, Pennsylvania that can provide "The Living Statue of Liberty," which is an actress, fully costumed, with body and face makeup to look like the real thing. This character mingles with the crowd. "All The President's Men" is also supplied by the same company. Actors and actresses wear large, lightweight heads depicting presidents and their "first ladies" circulate among the guests in the roles of George Washington, Martha Washington and Betsy Ross. (Rainbow Productions, Inc., 534 Burmont Road, 2nd Floor, Drexel Hill, PA 19026: 610-622-6241, fax 610-394-9162 and events@rainbow promotions.org)

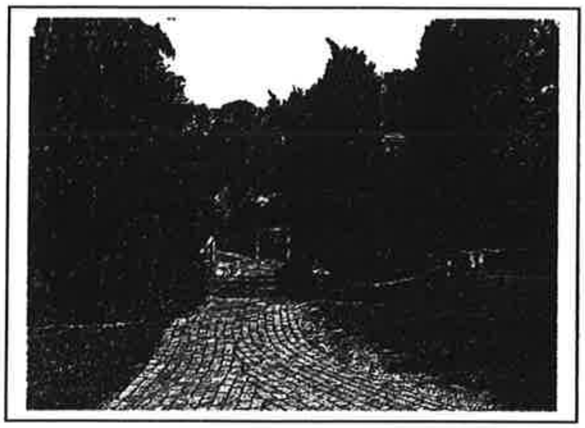
"Patriot Weekend" could include a carnival with rides and games for the children as well as "The Official George Washington Cherry Pie Eating Contest". Contestants could be judged on how many pies they can consume in a short period of time, with the eventual winner receiving a special prize.

Two organizations with connections to Washington and Lafayette should be contacted to participate in this weekend. These are The Maryland Society of the Sons of the American Revolution and The American Friends of Lafayette. Other historical societies and associations, patriotic and veterans organizations, museums, National and State Historical preservation groups should all be invited to attend and participate in the event.

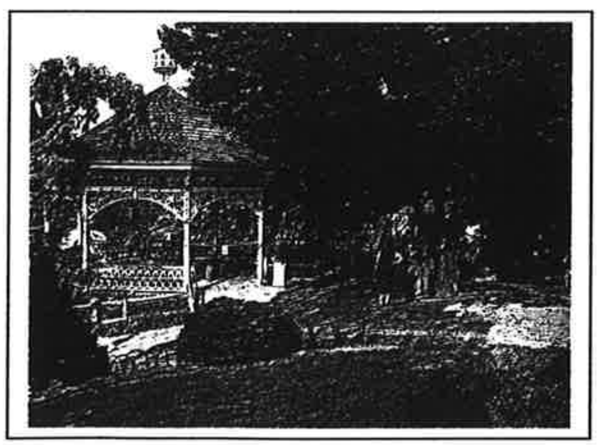
- ✓ **With a rich history as a wedding destination, there is fun and frivolity to add to this niche market.** Historically, Elkton established itself as "The Wedding Capital of Maryland". Downtown Elkton should use this historic designation as a promotional tool. **(15) This can be an on-going promotion or several special events can be developed to take advantage of the "wedding" concept. (16) This marketing should be coupled with recruitment of new retail and service activity to create a greater presence downtown.**



- ✓ Furthermore, **(17) creating outdoor wedding opportunities** downtown could occur because of the existence of large acreage of land not suitable for development of permanent non-recreation oriented structures.



To facilitate such activity would require landscape amenities and minimal capital investment in a gazebo or other similar structure. To the left is an illustration from the "Peddler's Village" area in Pennsylvania. Weather can be controlled by the use of non-permanent tents, common for many events held outside all times of the year today.



The outdoor weddings themselves create opportunities for visitor-based activity. As conveyed in the picture to the right, people not involved with the wedding or not invited as guests like to observe as well. So the effort becomes an attraction for others.

A special **"Wedding Day in Elkton"** can bring together all merchants and promote the community. The day would include: churches making "marriages" available on a pre-scheduled basis; decoration of the Central Business District with wedding bells, crepe paper and balloons; merchants dressed in formal wear, such as gowns and tuxedos; music scheduled throughout to create a "love" atmosphere; church bells chiming on the hour; horse-drawn carriages and antique cars available to take couples from place to place; flowers abundantly placed everywhere; and "weddings" scheduled in open areas, the current wedding chapel, the local churches, and the courthouse. Local, regional and national celebrates and entertainers should be invited to attend throughout the day and their attendance should be widely publicized.

The **feature of the day could be a renewal of vows by couples who are already married and wish to share this day as a celebration of their marriage**. People who have been married in Elkton along with others should be invited to return to renew their vows. This could be done at noon in a public area. Couples participating could meet prior to the ceremony at an appointed place and taken to the wedding area in special trolleys, carts, or cars.

A joint reception should be held during the day. Soft drinks, punch, tea, coffee and cookies decorated like small wedding cakes along with several wedding cakes could be available. Confetti, rice and bird seed can be handed out in small packages along with bubbles in small containers, which youngsters can blow at the couples.

To capitalize on this a joint effort, merchants could create a "wedding" package for any couples getting "married" in Elkton. The gift package will be a small "Congratulations Box", wrapped like a gift and presented to every couple registering to be re-married on "Wedding Day in Elkton". Merchants would agree to provide the following:

- A business card or a short description of the goods and services being offered by the business, contact name and business phone.
- A registry form for the couple, detailing items they need such as tableware, appliances, linens, which will be distributed by the merchants. People desiring to buy gifts can contact each merchant for ideas. Cards will be included for the couple to distribute to their friends and relatives with the names of the establishments where they are registered.
- A directory of merchants, churches, services available in Elkton.
- Lists of local photographers, florists, caterers, tuxedo rental sources, clothing and shoe stores should also be included. Those merchants not in the downtown can be asked to pay for advertising their goods and services.

Included in the package would be a coupon for a drawing for a free trip, arranged by the merchants, as a grand prize. Fish bowls for entries should be placed in each store on Main Street and the drawing for the prize will take place at the end of the day.

Advertising for the event should be wide spread and planned at least a year in advance of the event. This should include: special mailings, joint promotions in all Main Street stores, flyers widely distributed at all offices and other places of employment, newsletters, church bulletins, signs, newspapers, cable television and radio and in media throughout Maryland, Delaware and Pennsylvania.

✓ In addition to the "marriage" event activity, the physically oriented amenities to create a viable wedding atmosphere, and the to be addressed business recruitment effort, Elkton could **(18) establish a unique niche in the market associated with "affordable" weddings**, based on a host of efforts, including but not limited to rental instead of purchase of wedding gowns. Individual businesses could promote efforts along the lines of:

. Value Priced Vows
. The Perfect $1,000 Wedding
. I DO want to Save

As examples of those promoting such a niche, these two businesses were found on the internet:

Tiffany Bridal
3536 E. Hastings St.Vancouver, B.C. V5K 2A7
(604) 291-7117 Email: info@tiffanybridal.ca
(Buy or rent from all the dresses in store. Services include: Bridal Consultants, New Gowns, Consignment Gowns, Rental Gowns, Lingerie, Accessories, Attendants, Flower girls, Mothers, Tuxedos, additional special services: Florists, Beauty Consultants, Decorators, Photography, Videographers.)

Niagara Falls Weddings
Services include: Wedding Packages, Honeymoon Packages, Vow Renewal, Ceremony Wedding Gown Rental, Tuxedo Rental, Limousine Rental, Photography, Videography, Flowers, Salons & Spas, Cake, Officiant, Music, Reception, Rehearsal, Accommodations, Personalized Wedding Planner, testimonials.
(We have a vast selection of elegant gowns available for you to choose from. The wedding gowns are available in different styles and sizes. We will arrange to have custom alterations.
A minimum of 24 hours notice is required for consultation and fitting of your wedding gown. We will arrange for the delivery of the gown to your hotel room or location of your choice at least 1 hour prior to your ceremony.) $239 USD www.niagara-fallsview-weddings.com

The following are additional potential marketing themes for this niche:

Beautiful Budget Weddings

Weddings. Beautiful. Budgeted.

KISS! Keep It Simple Sweetheart!

KISS
Keep It Simple Sweetheart

KISS
Keep It Simple Sweetheart

Weddings On A Budget

- ✓ While the preferred downtown Elkton recruitment process is to be defined, reaching potential wedding professionals can be facilitated by the following organizations:

  The National Wedding Retailers Association. http://www.aboutnwra.com/

  Association of Certified Professional Wedding Consultants Offers an ongoing certification process for consultants, coordinators and affiliated wedding professionals. San Jose CA

  Association of Wedding Professionals Located in the Maryland, Virginia and Washington DC area. Promoting professionalism and ethics in the wedding industry. Silver Spring MD

  National Bridal Service is an exclusive membership organization of over 1,200 independently-owned businesses that serve the bridal market. http://nationalbridal.com/

(19) On-going Events and Marketing Opportunities

Downtown Elkton merchants need to have a full schedule of activities throughout the year to encourage customers and to create an atmosphere that others will see as an inviting place to open a new business. This will require some leadership either from an existing organization or a special merchants' committee.

- ✓ On-going joint marketing opportunities do not have to be expensive. A "Downtown Elkton Newsletter" can be very effective. Stories in the newsletter could highlight one merchant in each issue and also include stories about the history of the main street area. Each participating merchant would have an ad and profile of their owner. The mailing can be developed through the use of individual mailing lists from each store, the Alliance, utility company or Comcast.

- ✓ Street sales often attract customers. Merchants can enhance the sale by providing space for cottage industries in the area as well as crafts created by Elkton and Cecil County residents. Combined with goods and services from downtown merchants, these sales potentially draw new customers to the area and bring more people from the community to downtown.

- ✓ Joint coupon books or discount cards can be offered. These cards or coupons are given to customers and can be used throughout downtown. Everyone with a card or coupon book gets a "10%" discount at each store and if you buy "$250.00 or more," you get a special "$25.00" coupon used on your next purchase.

- ✓ "By Invitation Only" sales can be held by Elkton merchants. These are special sales for frequent shoppers. In addition to the sales, these special days could include free gift packaging.

- ✓ A special "Over 55 Day" that focuses on older customers, including products and services that are most used by that group, would be another promotion. As an example, every Wednesday could be the "Over 55 Day" where seniors get a percentage off.

- ✓ A "Charity Day" where one charitable cause is honored is an additional option. As an example, the downtown businesses could declare "Arthritis Day" and give a small percentage of all sales to the Arthritis Foundation. This event can be promoted with the local press and through non-profit organizations in the community. (As an example, a restaurant in Frederick, Maryland selects several charities for a "Charity Day" and gives 10% of the day's sales to that organization. The nonprofit promotes the event several months in advance, alerts their membership, Board of Directors and clients and publicizes the event in their newsletter.) This could be a great opportunity to involve the Elkton hospital auxiliary, schools, college, or the Cecil County Historical Society.

- ✓ The downtown businesses could sponsor a "Child Safety Weekend". This includes partnering with the local and state police and fire department as well as elementary schools. Police can be scheduled for safety tips on child car seat use, and "child identification", which includes parents bringing their children to be finger printed and the merchants providing free snacks for the children. A fire engine might be made available for children to tour. Again, this is a good cause and people like to buy from businesses that support good causes.

- ✓ The visual impact of the downtown area can be improved by encouraging non-profit organizations, including the hospital, college, museums and historical society, to promote their organizations by using empty storefronts. The organizations should be encouraged to use colorful displays, pictures, flags, bunting and other visually appealing concepts. This could serve several purposes. The organizations get free publicity, a feeling of good-will is generated, and the downtown area looks busy and attractive.

(20) Marketing Theme for Downtown

"Downtown Elkton-Personal Service You Can Trust" is one possible theme that could be selected as the marketing theme for the downtown business community. This theme emphasizes the importance of personal service that distinguishes these businesses from large chain stores or shopping malls. When people feel good about shopping in an area, they are more likely to make a second purchase and become a regular customer. Personal service adds value to the products or services being sold by a business and increases the potential for sales. In an age when consumers have become nameless, faceless entities served by different people every time they walk into a store, they will welcome an environment where they are treated as important and valuable customers by people they know and trust. It will enable downtown to gain valuable credibility and increase interest among consumers.

The theme portrays the confidence among downtown businesses in the goods and services they are selling and creates a positive perception. It could become the basis for advertising as a group and by individual businesses, whether merchants or professionals. In addition, other advertising such as buttons, bumper stickers and brochures should include **"Downtown Elkton-Personal Service You Can Trust".**

Additional Marketing & Recruitment for Targeted Activity

The marketing strategies and promotional concepts that have been described have been created to help individual merchants and the downtown Elkton community as a whole to attract new customers and retain current customers. Any effort to make the Central Business District thrive will take commitment and determination as well as dedication.

Despite the most intense effort, it will take time and consistency to really achieve results. One of the most important considerations is for all of the businesses to realize they must work together. Plant the seeds that will grow later. Most marketing plans take at least 90 days to produce even minimal results. Be patient, your efforts will pay off over the long haul. Positive leadership is required to make this or any effort work. The downtown businesses should select an existing organization or form a new organization or form a committee to take the responsibility to provide this leadership.

However and irrespective of the evolution of the leadership to bring marketing efforts to fruition, there are additional marketing and recruitment efforts that are necessary or should be considered to bring efforts, such as the "city market" or other unique activity to fruition. The following provides suggestions for the specific targeted activities.

(21) Create an Identity for the City Market

A compilation of fresh produce, meat, fish and flowers will coexist with high quality prepared foods, household items, specialty crafts and collectibles, and other related food purveyors. Live musical entertainment will, on occasion, enhance this unique shopping experience.

The goals for the city market's development include:

- ✓ creating an identity
- ✓ recruiting a developer
- ✓ recruiting tenants
- ✓ marketing concepts

Designed to identify the city market, the identity will establish it's personality, and promise of fresh, friendly fun. The name and positioning statement will create a personality, provide continuity and create excitement for this shopping, dining and entertainment destination. This positioning provides the developer recruitment campaign, and the consumer's patronage marketing with a tangible concept to sell. Some names and positioning lines for consideration for the "city market" follow

<u>Generic</u>

Produce Plaza	Fresh 'N Friendly.
Farmer's In Town Square	The Fresh Best.
Four Seasons Marketplace	Gather Ye Harvest.
Rivers & Fields Market	The Bountiful Best.
Bountiful Square	From the Rivers & Fields.
Farmer's Bounty Place	Come Back Again To See What's Fresh.
Aqua Terra	The Best Source.
Seeds & Sprouts	Celebrate the Four Seasons.
Savory Square	Come Back Again To See What's Fresh.

<u>Location</u>

County Seat Farmer's Corners	Where Fresh Meets Friendly.
Eastern Shore Gardens	Hometown. Homegrown.
Elton's Blue-Green Market	From the Rivers and Fields.
Elkton's Harvest Square	Fresh 'N Friendly.
Elkton's Good Earth	The Best Source.
Elkton's Bountiful Square	Savor The Seasons.

It is suggested that an individual be given responsibility to plan and execute the marketing activities for the market and potentially for the current farmer's market before construction of the "city market", and that the tenants leases be written to include a "marketing promotional expense contribution".

Daily patronage can be promoted by targeting the several major employers in the downtown. Weekend patronage can be promoted with entertainment, and weekly promotions highlighting the current seasons' produce, holidays, showcasing some artworks, school performances, etc.

Weekend and monthly special events to stimulate "regional tourism" could include the following concepts.

January Super Bowl: Ladies Day Super Fruit Bowl.
February Presidents Weekend: A Chicken in Every Pot, Fajitas, Etc.
March Spuds & Suds: One Potato, Two Potato, Three Potato, MORE.
April 15th Tax Relief: Broke? A Bounty of Budget Beans.
May Mother's Day & Apple Pies: The Apple of Your Eye.
June Peachy Keen Party: Peachy Queen Contest for little girls.
July Fourth Stars & Stripes: Hot dogs, BBQ & Baseball, Visit from Cal Ripken.
August Ripe Tomato Festival: A Hot Tomato Cookoff , pizza, sauces.
September International Heritage Fair: Invite the local ethnic clubs to set up booths.
October Scary Squashes: Pumpkin carving demonstrations.
November Thanksgiving: Sharing the wealth, collecting for community charities.
December Santa Claws: Lobster, King and Stone Crabs.

Merchandising Concepts to foster the market concept and to recruit a developer should include the following elements.

Exclusive Logo Design and Positioning Statement
Signature wrapping bags, boxes, etc. w/logo
Cookbook
Food Facts – Decorator Nutritional Posters
Kitchen Items w/logo design: towels, potholders, mugs, aprons, placemats
Promotional items w/logo design: herb bags, wooden tomato baskets, cloth shopping bags
Calendars w/seasonal recipes

Elkton's Harvest Square

home town. home grown.

These examples are just clip art but give the idea of a marketing identity in action

come back again to see what's fresh

SAVORY SQUARE

(22) For the recruitment of the farmers' and city market stalls and tenants working with the Maryland Department of Agriculture, The Cooperative Extension, and Cecil County and Eastern Shore economic development groups, **a cooperative effort similar to the Southern Maryland Regional Farmers Market seems most likely to produce results.** The following are potential contacts to assist with tenant recruitment or to establish relationships that will result in identifying potential tenants

State Farmers Market Representative
Connie Sharpe Ruohomaki
Maryland Dept. of Agriculture, 50 Harry S. Truman Parkway
Annapolis, MD 21401; (410) 841-5774; ruohomck@mda.state.md.us

The Southern Maryland Regional Farmers Market (SMRFM)
http://www.agnr.umd.edu/AGNRNews/Article.cfm/ID=1723
in partnership with Maryland Department of Agriculture, Tri-County Council for Southern Maryland, Maryland Cooperative Extension, and the Southern Maryland Small Farm Cooperative, is a marketing and educational facility conducting wholesale produce sales and agricultural products auctions. The mission of the SMRFM is to provide new and expanded market opportunities for sustained and diversified agricultural production that increases the profitability of farm enterprises, maintains the region's economic well being and preserves a cultural way of life.

Maryland Cooperative Extension, Cecil County
contact David Almquist, Acting County Extension Director

Mid-Atlantic Farm Direct Marketing Association
Rick VanVranken
Rutgers Cooperative Extension
6260 Old Harding Highway , Mays Landing, NJ 08330 ; (609) 625-0056

Pennsylvania Retail Farm Market Association , Room 104
4184 Dorney Park Road, Allentown, PA 18104-5798 ; (610) 391-9840;
market@PaFarm.com

Montgomery County Farmers Market Association
Montgomery County Department of Economic Development
Agricultural Services Division , 18410 Muncaster Rd., Derwood, MD 20855
(301) 590-2823; john.zawitoski@co.mo.md.us

Virginia Farmers Direct Marketing Association
Department of Agricultural & Applied Economics
Virginia Tech University, Blacksburg, VA 24061 ; (540) 231-5562 ; coale@mail.vt.edu

Farmers' Markets Marketing & Business Guide
Appropriate Technology Transfer for Rural Areas (ATTRA)
PO Box 3657 , Fayetteville, AR 72702 ; 1-800-346-9140 — FAX: (479) 442-9842
Abstract, Introduction, Setting up a farmers' market, Selling at a farmers' market, Federal assistance , References, Suggested Reading, Resources, Publications.
http://www.attra.org/attra-pub/PDF/farmmarket.pdf

The Maryland Agriculture Web Page, www.marylandagriculture.info, was developed for members of the agriculture community and anyone wishing to learn more about Maryland agriculture. The site is maintained by Maryland Cooperative Extension and includes the following Categories: Farmers' Sites, Private Farm Markets, MDA Farm Markets, Certified Organic Farms, Agricultural Organizations, Publications & Software, Fruits & Vegetables, Agritourism, Natural Resources, Kids' Ag Links, Lenders, Green Industry, and Education & Government .

Maryland Agricultural Organizations

State and local agricultural organizations address a variety of agricultural and rural concerns, as well as conduct marketing, educational and promotional activities to further improve the agricultural industry in Maryland. These include:

Maryland Agriculture Council, Inc.
53 Slama Road, Edgewater, MD 21037; 410-956-5771
Maryland Department of Agriculture

Maryland Council of Farmer Cooperatives
P.O. Box 607, Frederick, MD 21705; 301-663-4192
Maryland Farm Bureau
8930 Liberty Road, Randallstown, MD 21133; 410-922-3426 ; Maryland Farm Bureau

Maryland State Grange
5543 Buffalo Road, Mount Airy, MD 21771; 301-829-0545
Maryland Association of County Agriculture Agents
9375 Chesapeake Street, Suite 119, LaPlata, MD 20646; 301-934-5403

Aquaculture Advisory Committee
50 Harry S. Truman Parkway, Annapolis, MD 21401; 410-841-5724

Eastern Shore Hatchery Association
126 N. Shipley Street, Seafood, DE 19973-3100; 302-629-9163

Maryland Cattlemen's Association
P.O. Box 125, Mt Airy, MD 21771; 301-405-1394

Association of Maryland Wineries
15113 Liberty Road, Mount Airy, MD 21771; 410-775-2513

Association of Maryland Wineries
Farmers Produce Association
315 Sippel Avenue, Baltimore, MD 21236; 410-655-3811

Maryland Direct Farm Market Assn.
15513 Hanover Pike, Upperco, MD 21155; 410-239-8505

Dairy Council of Greater Washington
1985 Isaac Newton Square,, #100, Reston, VA 22090-5008; 703-709-0922

Maryland Egg Council, Inc.
3129 Animal Sciences Building, College Park, MD 20742; 301-405-5781

Del.-Maryland Agribusiness Assn.
P.O. Box 100, Lynch, MD 21646; 410-778-1000

Mardel Watermelon Association
RD 2 - Box 206A, Laurel, DE 19956; 302-875-5707

Delmarva Poultry Industry, Inc.
RD 6, Box 47, Georgetown, DE 19947-9622; 302-856-9037

Maryland & Va. Milk Producers Assn.
1985 Issac Newton Square, Reston, VA 22090; 703-742-6800

Maryland Apple Promotion Board
P.O. Box 917, Hagerstown, MD 21741; 301-733-8777

Maryland Aquaculture Association
2174 East Greenleaf Dr., Frederick, MD 21702; 301-373-8662

Maryland Beef Industry Council
4928 Carroll Manor, Baldwin, MD 21013; 410-592-3940

Maryland Grape Growers Association.
18517 Kingshill Road, Germantown, MD 20874; 301-972-1325; Maryland Grape Growers Asso.

Maryland Greenhouse Growers Assn.
11614 35th Place, Beltsville, MD 20705-2708

Maryland State Horticultural Society
18330 Keedysville Road, Keedysville, MD 21756; 301-432-2734

Maryland Herb Assoc.
14119-A Peddicord Road, Mount Airy, MD 21771; 301-829-1478

Mid-Atlantic Dairymen, Inc.
600 Liberty Road, Sykesville, MD 21784-8598; 410-549-2100

Maryland Veal Growers Association
7855 Rock Lodge Road, Accident, MD 21520; 301-245-4413

Maryland Nurserymen's Association
P.O. Box 18989, Baltimore, MD 21206; 410-254-3302

Maryland Vegetable Growers Assn.
P.O. Box 663, Leonardtown, MD 20650; 301-475-4481

Middle Atlantic Milk Marketing Assn.
Suite 106, Towson, MD 21286; 410-321-0266

Maryland Pork Producers Association
53 Slama Road, Edgewater, MD 21037; 410-956-5771

Md. Organic Food & Farming Assn.
6201 Harley Road, Middletown, MD 21769; 301-371-4814

Produce Marketing Association
P.O. Box 6036, Newark, DE 19714-6036; 301-738-7100

Maryland Specialty Food Association
P.O. Box 5632, Baltimore, MD 21210; 410-889-1500

Maryland State Beekeepers Assn.
9309 Montpelier Drive, Laurel, MD 20708; 301-725-6185

Seafood Marketing Advisory Board
50 Harry S. Truman Parkway, Annapolis, MD 21401; 410-841-5820

Marketing Methods

Creating a budget and promotional calendar will facilitate the media selection, the frequency of advertising and the special events entertainment specific to the market. Primary media for selection include, but are not limited to:

Local & Metropolitan Newspapers: public relations, advertising
Direct Mail: postcards, newsletters, calendars
Radio Stations: local Cecil, New Castle and Harford Counties

If, as suggested, the tenants all contribute to a marketing fund, they can become participants in all advertising and marketing efforts, including those that follow. It is also noted that these specific recommendations can be incorporated with the general marketing recommendations for joint promotion of the downtown and the market.

1. A Quarterly Newsletter, **FOUR SEASONS**, can be direct mailed as well as distributed by each participating merchant in their shops. Each editions can include highlighted news, new openings, the SEASON's Best, recipes, specials, special events and other entertaining promotional information. Depending upon the provided budget this can reach as far as all three counties, or whatever distribution is affordable.

2. Weekly Newspaper Ads, **SEASON'S BEST**, can be placed for weekend attendance, weekly specials, special events and promotions. These can also highlight new tenants, new products and services and other messages to provide a consistent reminder of Weekends at the Market.

3. Direct Mail oversized postcards are inexpensive yet capture attention when they arrive in the mail. These can be effectively produced in two-color production to contain cost.

4. Downtown Employee Privileges. A frequent shopper/diner card can be provided to repeat customers for special promotional extras. This can be in conjunction with the Restaurant Collection's "Frequent Lunch Bunch", or can be a separate promotional tool for the marketplace.

5. A Musical Jingle produced for the marketplace's radio identity, can be used frequently by the marketplace institutionally, as well as individual merchants. By contracting a "bulk buy" with the stations, the cost is reduced and will be attractive to the tenants for their own promotions thereby increasing the messages and awareness for the marketplace. The marketplace can use this bulk time buy to promote the monthly events, traditional shopping holidays, and general awareness messages.

(23) Creating an Identity as a Place to Eat and Go for the Proposed Restaurant Collection

Located along Main Street and the larger downtown area, new restaurant activity is coupled with existing operations. This collection of restaurants will also feature entertainment and conviviality. Located nearby, but not adjacent to the city market, this restaurant group should also collaborate on:

✓ A destination identity

✓ Recruitment of 3 major dining establishments

✓ Cooperative marketing plans

As with the proposed city market, the collection of activity and food service establishments should have its own "destination identity". Below are some of the options for identifying positioning lines or slogans.

Main Street	The Place To Meet.
Downtown Elkton	Come Dine With Us.
Main Dining Rooms	Downtown. Hometown.
Dining Downtown	At Your Service!
Downtown Dining	Great!
Dining On Main	The Place to Meet. And Eat!
Dining On Main	Your Table Is Ready.
Downtown Elkton's	Culinary Collection.
Downtown Elkton's	Restaurant Connection.
The Cuisinery	Downtown Elkton's Dining Collection.
Elkton's Finest!	Dining and Entertainment.
Elkton's Finest!	A Night Out. Downtown.

While the above can be mixed and matched, creating an identity would include the development of an appropriate graphic to be used in the marketing campaign. Such graphics should be simple, conveying a solitary idea to potential customers.

A Night Out.
Downtown.

These examples are just clip art but give the idea of a marketing identity in action

Great Dining!
Downtown

Established professional organizations and publications are primary tools to reach potential restaurant ownerships, employing public relations and direct marketing. Some of the organizational contacts follow:

National Restaurant Association, (NRA) the leading business association for the restaurant industry. http://www.restaurant.org/aboutus/

National Restaurant Association SmartBrief, NRA's Magazine, a free daily e-mail newsletter, accepts advertising, contact Aaron Kaliner: akaliner@smartbrief.com.

Nation's Restaurant News, PO Box 31197,Tampa, FL 33633-0692; (800) 944-4676; www.nrn.com/

The restaurants that follow are some of those identified with both food and the noted niche entertainment indicated by the analysis. They are either privately owned chains or franchise operations.

Jillian's A 70,000 Square Foot Food & Entertainment Universe. Features: 55 Pool Tables 250 High Tech Games, Racing Simulators, Virtual Games & Sports, Giant Screen Video Walls, 6 Full Bars, Black Jack for Fun, Atlas Sports Grill. Current locations include: Arizona, California, Colorado, Georgia, Illinois, Indiana, Kentucky, Maryland, Massachusetts, Minnesota, Montreal, Nevada, New Hampshire, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Texas, Virginia, Washington. www.jillians.com/

Dave & Busters. Whether it's the action of our exclusive interactive games and simulators, enjoying great food served in a casual, yet elegant, setting, our fun and spirited bars or classic favorites like world class pocket billiards and shuffle board. This venue is similar to Jillian's with high tech games, racing simulators and virtual games and sports. www.daveandbusters.com/

Total Entertainment Restaurant Corp. currently owns and operates entertainment restaurants under the "**Fox and Hound**" and "**Bailey's**" brand names that each provide a social gathering place offering high quality food, drinks and entertainment in an upscale, casual environment. In addition, each location features a full-service bar and offers a wide selection of major domestic, imported and specialty beers. Each restaurant emphasizes a high energy environment with multiple billiard tables and satellite and cable coverage of a variety of sporting events and music videos. www.tentcorp.com/

Champps Americana currently operates 38 company owned locations nationwide including 8 on the east coast: 2 in DC, 1 Maryland, 1 near Philly, 2 New Jersey, 2 Raleigh-Durham. The 10,000 square foot restaurants, seat over 350 guests and employ approximately 200 associates, are open daily for lunch and dinner, and feature weekly promotions such as Monday Night Football with trivia and giveaways, Karaoke on Thursday nights, and a Bloody Mary bar every Sunday from 11-3. The restaurant features amazing audio/visual capabilities with seven plasma televisions and three video walls. Guests enjoy made-from-scratch food, large portions and great service in an exciting, upscale environment. www.champps.com/

The Gordon Biersch Brewery Restaurant is the modern-day brewpub. The brewery restaurants are destination points and cater to locals. Full service lunch, dinner and bar dining is served from an eclectic American menu. The brewery is showcased behind glass walls and is the centerpiece of our restaurants. Most days, guests can see our brewers in action. http://www.gordonbiersch.com/restaurants/index.html

Sullivan's Steakhouse, newspaper review:..." it's impossible not to get turned on by Sullivan's indulgent offerings. Here you can watch meals being prepared in the shiny, chrome open kitchen. A glassed-in wine cellar displays an abundance of vintages. The dark, sexy bar with live music and cigar case is drawing partiers who prefer the sophisticated cocktail scene over the brew-and-burger bars. And all of this is from a chain restaurant, with locations spanning the country from Alaska to Florida." www.tucsoncitizen.com/cuisine/ (owned by Lone Star Steakhouse).

Rock Bottom built its foundation on a tradition of fresh, handcrafted beers and a diverse menu that make up the cornerstones of the 30 Rock Bottom locations across the United States. Each Rock Bottom is rich in brass, warm woods, earth tones and gleaming brewing vessels. Rock Bottom's service is attentive, friendly and upbeat and its moderately priced, familiar American food menu. Fun is always on tap when you hit Rock Bottom with Pint Nights and rockin' Happy Hours. http://www.rockbottom.com/

Geographically targeting existing Maryland restaurants to expand, provides several benefits, including but not limited to:

- ✓ These businesses already are experienced
- ✓ They are located within a reasonable travel distance allowing for easier recruitment.
- ✓ Licensing, and other regulated documentations are, if not identical, at least compatible.

Setting some specific criteria for success of prospects including those that follow can be important.

1. Privately owned business.
2. Operating 3 years+ in similar "downtown" markets.
3. Bringing a new family concept, price/value.

These restaurants can be identified and solicited through the Restaurant Association of Maryland, (RAM)6301 Hillside Court, Columbia, MD 21046; 410-290-6800; http://www.marylandrestaurants.com/member/

Additional marketing communications can include, but not be limited to:

- ✓ Public Relations – news releases
- ✓ Direct Marketing – to the RAM membership
- ✓ Advertising – business publications

The latter might include:

Baltimore Sun – Business Section
Baltimore Business Journal
Baltimore Daily Record
Delaware State News
New Castle-Wilmington News Journal
New Castle Business Ledger
Philadelphia Business Journal

Capitalizing upon the downtown employees daily patronage, several promotional concepts can encourage their frequent patronage including "Finally FriedDay" - My brain is fried by FriedDay featuring favorite fried foods as well as some special FriedDays cocktails concocted by the participating bartenders.

For the local and regional residents, a monthly "Prix Fixe" promotion invites visits to many of the participating restaurants for a progressive dining event. With Progressive Dining, each participating restaurant would have a selection of appetizers, entrees/soups/salads, and desserts so the diner can select which restaurant to visit for each course.

An idea for either or both venues, the city market and the restaurant collection, for weekend family dining and entertainment is "History's Hearty Helpings!". History's Hearty Helpings! Involves developing an historic theme and combining the dining and entertainment concept. Specially themed lunch/brunch programs can include storytelling the history of Chesapeake Bay, roles in War of 1812 or Revolution, and many other local and regional themes.

The city market's Quarterly Newsletter, **FOUR SEASONS**, can expanded to include the downtown restaurants. By combining the two venues budgets, it can become both a larger publication and sent to more residents.

(24) While direct marketing as a place to hold weddings may be both undesirable and cause potential legal problems in Maryland, **direct marketing of a wedding expo or trade show** is not. Differentiating such a trade show from that in Baltimore can be done relatively easily, through "informality" and creating a relaxed non-urban atmosphere,

Recruitment

(25) Key to implementation activity is recruitment, whether that be for tenants for the farmer's market, tenants for the "city market", restaurateurs, developer for the city market, tenants and development interests for additional office activity, etc.

There is a significant amount of recruitment activity proposed. Yet, Elkton has and is likely to have limited resources to which it can put toward recruitment efforts, whether those resources come form the public, private, or combined sectors.

Practicality, in terms of fiscal and manpower resources, is essential. Based on this need, it is suggested that:

- ✓ **(26) A realistic schedule of recruitment activity be developed**.
- ✓ **(27) That "marketing materials" be developed** that are professionally laid out.
- ✓ That "marketing materials" be developed that combine professional printing and in house printing.
- ✓ The **materials should include, but definitely not be limited to a presentation folder** for inserts.
- ✓ **In house materials** have "interchangeable" parts so that different targeted groups receive different materials.
- ✓ **That professional technical assistance be obtained in developing both the materials and recruiting activity** and that the technical assistance be supported by in house staff.
- ✓ That **(28) Request for Qualifications (RFQ)** be prepared and sent to prospective interests (in the previously noted marketing materials folder) for the city market.
- ✓ An expression of interest be sent to restaurants that would be appropriate. In this and the above case, development opportunity areas should be defined based on planning work being done.

Recruitment of qualified, experienced retail shopping complex developers or city market operator/developer interests will bring access to the best professionals with purchasing, development, construction and leasing expertise, partnerships and alliances. Seeking to maximize the qualifications of responders, marketing communications will be directed toward members of highly selective industry specific organizations and publication readerships, identifying the following audiences as the most likely to produce interest and response. These include:

International Council of Shopping Centers ICSC (organization)
Shopping Centers Today (ICSC publication)
http://www.icsc.org/sctadv/index.html

National Real Estate Investor (industry publication)
http://www.nreionline.com/

Shopping Center World (industry publication)
http://advertisers.shoppingcenterworld.com/home/index.htm

SIC Commercial Real Estate Codes (direct marketing)

A multi-level campaign will be structured to include several marketing methods to produce a comprehensive plan. Combining public relations, direct marketing, advertising, special events (on-site "open house" conference) and promotional materials, this plan will effectively and efficiently reach the intended responders. Mechanisms include:

Internet website visits to identified geographically desirable developers will include the e-mailed press release announcing the issuance of the RFQ and soliciting their interest by a reply to the message.

Direct Marketing through industry associations and industry publication subscribers include:

Shopping Center World (industry publication)
Shopping Centers Today (ICSC publication)
National Real Estate Investor (industry publication)
Chain Store Age (industry publication)
International Council of Shopping Centers ICSC (organization)
National Retail Federation (organization)
SIC Commercial Real Estate Codes (direct marketing)

There are several methods of communications to reach these two significant groups including:

- ✓ Submitting news releases to their newsletters, editorial staff.
- ✓ Advertising the RFP in their publications.
- ✓ Direct mailing to their memberships.

An open house should be developed as a means of scheduling a reasonable number of prospective developers on-site at one time, thereby maximizing the time investment showcasing the opportunity. The open house provides all potential RFP responders equal access to information and familiarization with downtown. A specific familiarization agenda can include:

- ✓ General information session.
- ✓ An overview of the Elkton's and Cecil County's economic forecasts.
- ✓ The financial benefits and incentives associated with the market's development.
- ✓ Printed materials.
- ✓ Q & A with light refreshments.

The described RFQ process can be duplicated for office space and other retail interest developers as well.

As noted a presentation folder(s) are important. A standard 9 x12" folder with pockets, will distinguish this RFQ solicitation as a highly desirable effort for a new in-town, marketplace. Similar folders could be developed for other efforts or one folder could suffice for all, depending upon resource availability.

Property Photo Or Illustration **Savory Square**			Contact Information, Area map **Savory Square**
	POCKET – w/logo	POCKET – Business card	
Cover	Inside pages 2	3	Back Cover

There are many organizations and associations that will facilitate and provide access to build a successful potential tenant list or list of those that can participate in special events. Some have been mentioned and others include:

✓ For the recruitment of craft artists, shops and galleries:

American Craft Council , American Art Pottery Association, Hobby Industry Association, National Craft Association, Craft Networking Center, American Quilter's Society, Association of Stained Glass Lamp Artists, The Handweavers Guild of America, National Wood Carvers Association, and the Rosen Group. This latter organization works with hundreds of artists who sell their high quality works to exclusive shops and galleries.

American Craft Magazine (Circulation Rate Base: 40,000)
Published bimonthly by the American Craft Council, is the preeminent magazine on contemporary craft in the United States. 72 Spring Street, New York, NY 10012-4019; www.craftcouncil.org Don Zanone, Advertising Manager; 212.274.0630 ext. 229; zanone@craftcouncil.org

Gift Association of America
The Gift Association of America is the oldest and largest trade association comprised of retail stores and wholesalers in the gift industry. Established primarily to provide a forum for discussion of matters of interest to the gift industry, the Gift Association of America focuses on improving services to the general public and on the success of the industry. http://www.giftassoc.org/default1.asp

Academy of American Doll Artists
The Academy of American Doll Artists is a private, non-profit corporation dedicated to actively promoting the Original Artist Doll as an Art Form and to supporting the artists who create them. http://www.aadadoll.org/

American Ceramic Society
The American Ceramic Society, an international association that provides the latest technical, scientific and educational information to its members and others in the ceramics and ceramic related materials field. http://www.acers.org

Art Glass Suppliers Association
AGSA, the Art Glass Suppliers Association International, is a dynamic not-for-profit organization promoting the art glass supplies and products industry throughout the world. http://www.agsa.org

Collectibles and Giftmakers Guild
The Guild is a not-for-profit trade organization dedicated to making the hobby of collecting limited-editions informative and fun. http://www.collectiblesguild.com/

Collectors' Information Bureau
The Collectors' Information Bureau (CIB), is a not-for-profit trade association comprised of nearly 100 manufacturers/marketers in the field of limited edition collectibles. One of the collectible industry's leading trade organizations, CIB is also recognized as an authoritative, knowledgeable research center reporting on the secondary market. http://www.collectorsinfo.com

Gift Creations Concepts
This is the place to find out about exclusive collectibles that are available only at GCC member retailers and to help you, the collector, locate your nearest GCC member retailer. We negotiate with the makers of the hottest gift and collectible lines to create limited editions exclusively for our member retailers."http://www.gcccatalog.com

Glass Art Society
The Glass Art Society is an international non-profit organization founded in 1971 to encourage excellence and to advance the appreciation, understanding and development of the glass arts worldwide.http://www.glassart.org

Indian Arts and Crafts Association
The Indian Arts and Crafts Association (IACA) is a not-for-profit organization established to support the ethical promotion and protection of authentic Native American art and culture. http://www.iaca.com

National Association of Limited Edition Dealers
Welcome to the NALED homepage. Your source for the world's most reliable and trusted gift and collectibles retailers. Our members collaborate to provide you an array of exciting artwork and collectibles: the finest figurines, Christmas ornaments, dolls, plates, crystal, prints, houses, plush, miniatures, and musicals.http://www.naled.com

National Institute of American Doll Artists
NIADA, Dedicated to the Art of the Doll.http://www.niada.org

United Association Manufacturers' Representatives, founded for the benefit of manufacturers and independent sales representatives, is a national marketing association involving over 3,000 rep groups in the United States and many foreign countries. http://www.uamr.com

✓ For the recruitment of small business, specialty shops:

Home Furnishings International Association, Home Fashion Products Association, Jewelers of America, International Music Products Association, National Home, Furnishings Association, National Sporting Goods Association, North American Retail Dealers, Association, Photo Marketing Association International, The Retailer's Bakery Association, Society of American Florists.

In addition, an entrepreneurial development campaign, working in cooperation with the University of Maryland's - Dingman Center for Entrepreneurship can bring new businesses and new energy to the downtown retail environment. In addition to its own degree program, the Dingman Center has several collaborative initiatives including:

<u>MIT Enterprise Forum of Washington / Baltimore</u>
The Forum is a non-profit organization dedicated to the entrepreneur community of the greater Washington & Baltimore area. We are open to the public and reach out to local start-ups, high technology, venture capitalists, and the professionals who support them.

Baltimore-Washington Venture Group (BWVG)
The BWVG managed by Dingman Center for Entrepreneurship provides networking breakfast series where entrepreneurs and companies meet with providers of capital and management team candidates, leading to transactions such as financing, joint ventures, consulting relationships, and management team additions.

Private Investors Network (PIN)
The organization is comprised of the region's active private equity investors, is a partnership between MAVA and BWVG that provides young companies the maximum opportunity to gain financing through a network of angel investors. The Dingman Center screens business plans for a nominal fee and helps entrepreneurs prepare for presentations.

Business Plan Review
Dingman Center Business Plan Review provides an opportunity for start-up companies to present their business plan to a panel of experts in industry, marketing, finance, banking and venture capital. Participants receive advice on content, presentation, and strategic direction for the company through an intense plan review and three hour panel review session.

It was noted that potential to expand entrepreneurial activity through the Community College may also exist.

Partnership

Success with implementation will be dependent upon the commitment of resources and manpower likely to be achieved only through a combined public-private partnership. The amount of energy and time necessary to market and recruit activity will require full-time professional staff as well as likely other professional technical assistance providers. That professional staff, irrespective of whether the individual is employed by the town, Alliance, or other entity, should have the skills required to market and recruit the proposed activity.