

The West Virginia Defense Breakdown Economic Impact Report

Go to www.forthecommondefense.org/reports to view detailed reports on West Virginia counties, cities, Congressional Districts, industries, small businesses and information on sources and methodology.

- **9%:** In 2012, President Obama limited U.S. military capability to fighting one “regional conflict” and one “holding action.” Defense budgets for 2013-2021 were cut **\$487 billion – a 9% cut, at a minimum.**
- **18%:** “Sequestration,” required by law in 2011, mandates **\$500 billion** more in 2013-2021 defense cuts – **an 18% cut, at a minimum.** President Obama said he will veto any changes Congress makes.
- **Be Prepared:** In 2013 **these cuts in defense jobs and businesses** will hit West Virginia counties, cities and industries. This report shows how “National Average” defense budget reductions of at least **9% and 18% could affect West Virginia, using actual 2010 West Virginia data.**
- **Ask Questions:** In 2012, Congress and President Obama will decide on the specific defense budget cuts. In the next 6 months, find out if these defense cuts affect your community more – or less – than this national average. See www.forthecommondefense.org/reports for reports on cities, counties, industries and more.

A 2011 nationwide economic impact study from the Center for Regional Analysis predicts that West Virginia could lose thousands of jobs and tens of millions of dollars under the “Sequestration” law:

- West Virginia could lose 1,047 jobs.
- West Virginia’s economy could lose \$62 million in lost earnings.
- West Virginia could see a \$90 million decrease in Gross State Product (GSP).

Congressional experts estimate West Virginia could lose DOD military active-duty and DOD civilian jobs:

- Under “Sequestration,” 200 **military active-duty employees** could lose their jobs.
- Under “Sequestration,” 537 **civilian DOD employees** could lose their jobs.

West Virginia Top 5 Counties Projected Revenue Reductions Based On National Average

County Name	2000-2010 Revenue	2010 Revenue (Baseline)	2013-2021 Annual Revenue Reduced By At Least 9%	Under Sequestration: 2013-2021 Annual Revenue Reduced By At Least 18%
Mineral	\$647,988,682	\$76,550,649	-\$6,889,559	-\$13,779,117
Monongalia	\$186,703,038	\$25,484,342	-\$2,293,591	-\$4,587,182
Marion	\$233,708,526	\$20,989,068	-\$1,889,016	-\$3,778,032
Kanawha	\$213,978,866	\$19,501,337	-\$1,755,120	-\$3,510,241
Hancock	\$115,436,790	\$14,656,422	-\$1,319,078	-\$2,638,156



West Virginia businesses will not escape the 9% and 18% cuts.

Public data for 2010 shows West Virginia businesses earned over \$218 million supporting America's defense:

- But under these 10-year defense cuts of at least 9%, West Virginia **annual business losses** could be greater than **\$20 million**. West Virginia businesses may have to **fire workers**.
- And at the "Sequestration" level of at least 18% in defense cuts, West Virginia **annual business losses** could be greater than **\$39 million**. Some West Virginia businesses may have to **shut down**.

With at least 9% or 18% in planned budget cuts, West Virginia's small businesses will suffer.

From 2000-2010, {TotalBusinesses} West Virginia businesses provided goods and services for America's national defense:

- **21 minority-owned businesses**, including 9 owned by Black Americans, 4 owned by Hispanic Americans, 2 owned by Native Americans, 1 owned by Asian-Pacific Americans, and 5 owned by other minority Americans.
- **27 small businesses** including 17 "8A" and **small disadvantaged businesses** (SDB's)
- **48 woman-owned** businesses
- **27 veteran-owned** businesses, including 7 owned by **service-disabled veterans**

West Virginia Businesses Projected Revenue Reductions Based On National Average

Type of Business	Numbers of This Business Type 2000-2010	Revenue for This Business Type 2010	Revenue Losses for Business Type 2010 - at Least 9% Reduction	Revenue Losses for Business Type 2010 - at Least 18% Reduction
Minority Owned	21	\$54,523,027	-\$4,907,073	-\$9,814,145
Small Businesses	10	\$37,142,623	-\$3,342,836	-\$6,685,672
Small Disadvantaged	17	\$20,734,019	-\$1,866,062	-\$3,732,124
Veteran-Owned	20	\$11,640,013	-\$1,047,601	-\$2,095,202
Service-Disabled Veteran	7	\$21,493,348	-\$1,934,401	-\$3,868,803
Black American	9	\$18,839,660	-\$1,695,569	-\$3,391,139
Hispanic American	4	\$17,446,676	-\$1,570,201	-\$3,140,402
Asian-Pacific Owned	1	\$12,730	-\$1,146	-\$2,291
Women-Owned	48	\$22,325,444	-\$2,009,290	-\$4,018,580

