



Retail Site Assessment

August 2010

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Sealy's Retail Site

To begin the CommunityID process, the Sealy Economic Development Corporation selected one site to be analyzed for possible retail development or revitalization.

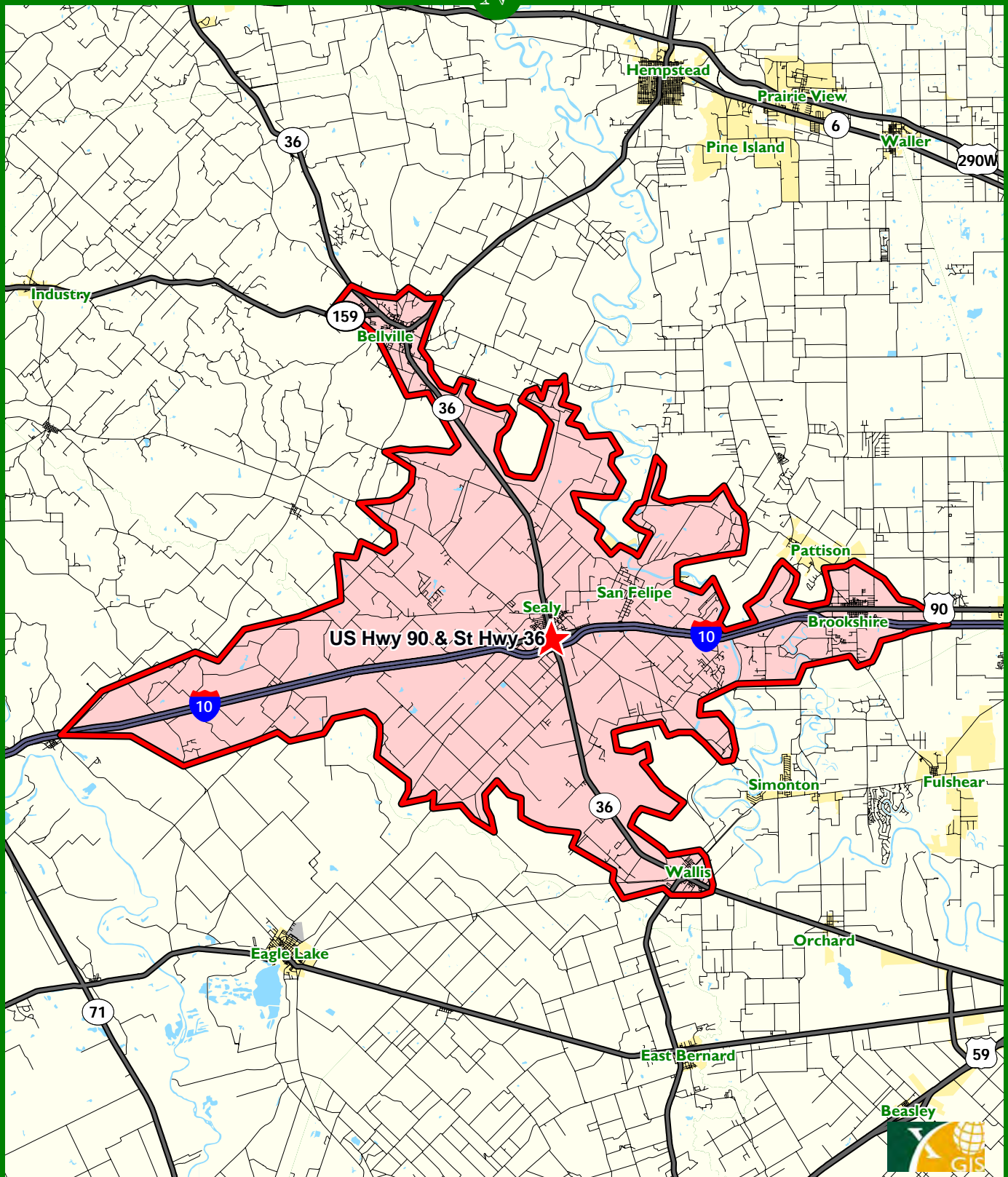
Buxton has examined the retail potential of the site based on the following analyses:

- A primary drive-time trade area was delineated for the site
- The customers in the trade area were segmented according to buying habits and lifestyles
- A profile of Sealy's customers within the trade area was developed
- The surplus and leakage for 11 major store types and 49 minor store types were determined for the trade area

The purpose of these analyses is to develop Sealy's Customer Profile. The Customer Profile is a snapshot of the customers that reside in Sealy's trade area. Even though these consumers are complex and diverse, Buxton is able to capture and catalogue the extent to which potential demand for a retailer's goods and services are being met within the trade area.

By overlaying Sealy's Customer Profile with over 4,500 retail matching profiles in Buxton's proprietary database, we are able to identify major categories of retail that are candidates for location in Sealy. This matching provides the basis for determining Sealy's viability to attract retailers and restaurants and forms the basis for Buxton's recommendations and conclusions.

With this analysis and Buxton's recommendations, Sealy can make a more informed decision about investments in infrastructure and can focus resources on areas of higher retail development potential.



Sealy, Texas: Trade Area



Shopping Centers

GLA in thousands



15 Minute Drive Time

Site

Miles



0 3 6



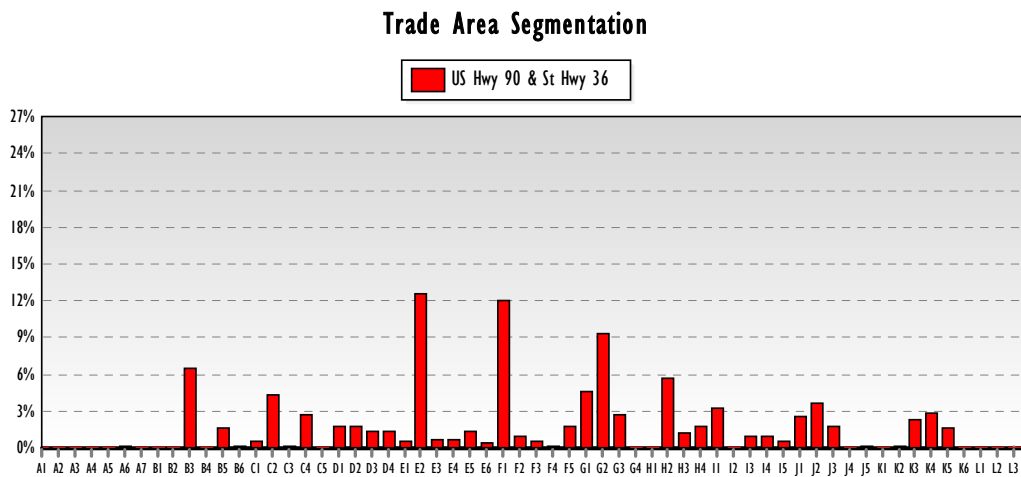
Site Analysis: US Hwy 90 & St Hwy 36

Drive-Time Trade Area

The map on the opposite page depicts the primary trade area for the site. The primary trade area consists of a custom fifteen-minute polygon, determined in conjunction with the Sealy Economic Development Corporation.

Psychographics

The psychographic profile of the households within the custom fifteen-minute drive-time of the site is presented below.



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Dominant Segments

A segment that represents at least three percent of a trade area is a dominant segment. By determining dominant segments and reviewing their segment descriptions, lifestyle habits and preferences can be identified. Please refer to Appendix C for additional segment description information.

Dominant Segments	Description	Households	% of All Households
B03	URBAN COMMUTER FAMILIES	557	6.46%
C02	PRIME MIDDLE AMERICA	374	4.34%
E02	URBAN BLUES YOUNG	1,079	12.51%
F01	STEADFAST CONSERVATIVES	1,037	12.02%
G01	HARDY RURAL FAMILIES	398	4.61%
G02	RURAL SOUTHERN LIVING	803	9.31%
H02	MINORITY METRO COMMUNITIES	493	5.71%
I01	INDUSTRIOUS COUNTRY LIVING	276	3.20%
J02	LATINO NUEVO	319	3.70%

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Site Analysis (continued)

Leakage Analysis

The following table represents an overview by store type of the leakage or surplus within the studied trade area. This is represented by an index with 1.0 being the baseline. A leakage is reflected by an index less than 1.0 and a surplus is reflected by an index greater than 1.0. Please see Appendix A for detailed demand and actual sales by category.

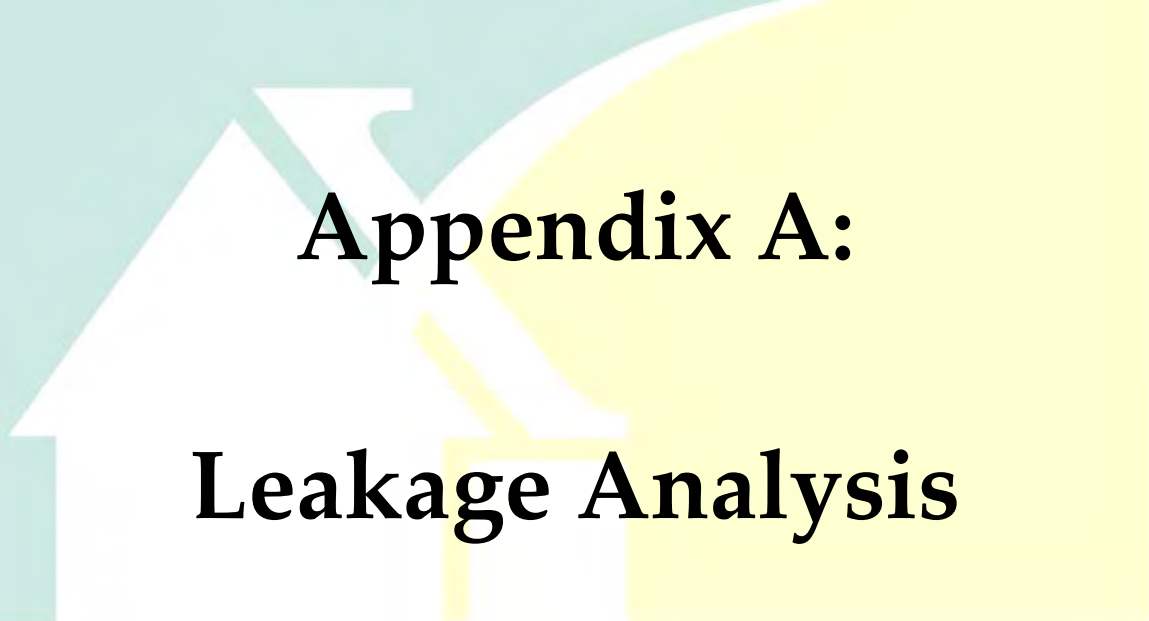


Source: Mosaic® USA is a registered trademark of Experian; Census Data. Data Source: Applied Geographic Solutions, 2000; Census Estimates and Projections 2008 Data

The following table presents the trade potential variables for the site:

Trade Potential Variables	Site
Estimated Household Count	8,627
Number of Households in Dominant Segments	5,336
Traffic Count	51,000
Total Demand	\$257,446,966
Total Supply	\$302,533,612
Leakage/Surplus	\$45,086,646

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Appendix A:
Leakage Analysis



Retail Leakage and Surplus Analysis

The Retail Leakage and Surplus Analysis examines the quantitative aspect of the community's retail opportunities. It is a guide to understanding retail opportunities but it is not an analysis that indicates unconditional opportunities. The analysis is sometimes called "a gap analysis" or "a supply and demand analysis" and can aid in the following:

- Indicating how well the retail needs of local residents are being met
- Uncovering unmet demand and possible opportunities
- Understanding the strengths and weaknesses of the local retail sector
- Measuring the difference between actual and potential retail sales

Understanding Retail Leakage

Retail leakage means that residents are spending more for products than local businesses capture. Retail sales leakage suggests that there is unmet demand in the trade area and that the community can support additional store space for that type of business.

However, retail leakage does not necessarily translate into opportunity. For example, there could be a strong competitor in a neighboring community that dominates the market for that type of product or store.

Understanding Retail Surplus

A retail surplus means that the community's trade area is capturing the local market plus attracting non-local shoppers. A retail surplus does not necessarily mean that the community cannot support additional business. Many communities have developed strong clusters of stores that have broad geographic appeal. Examples of these types of retailers include: sporting goods stores, home furnishing stores, restaurants, and other specialty operations that become destination retailers and draw customers from outside the trade area.

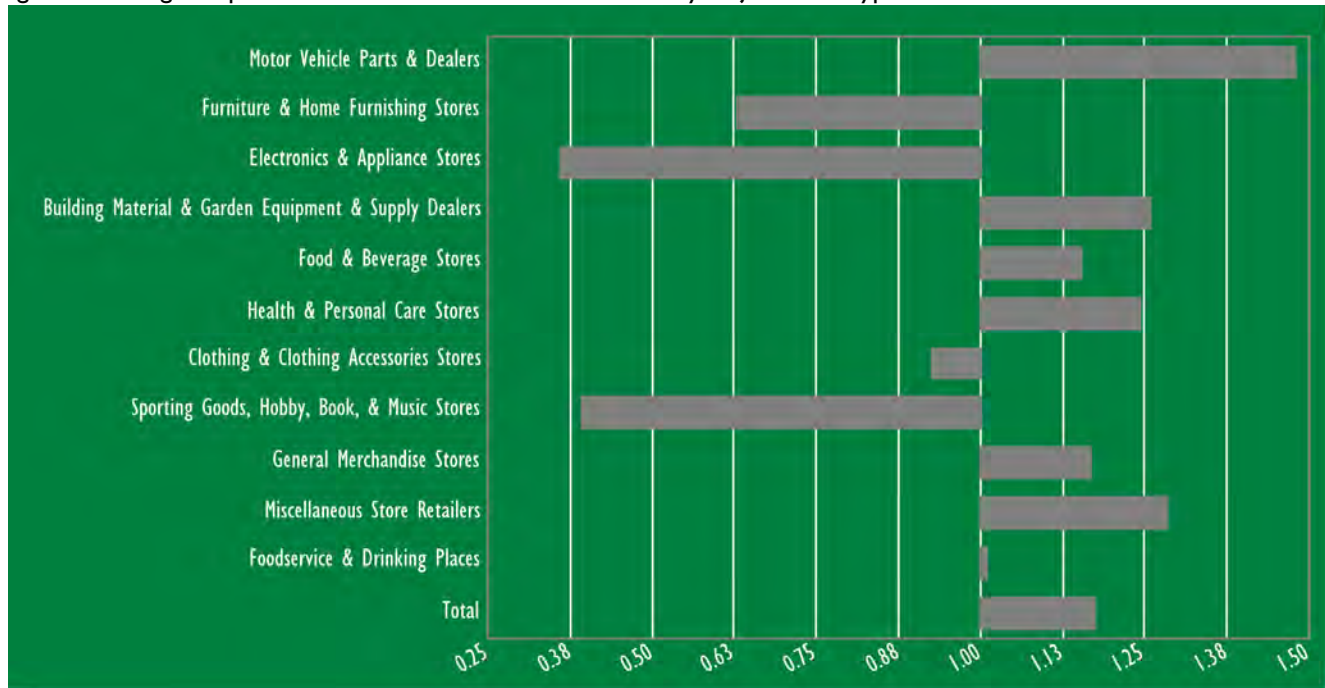
Examining the quantitative aspects (Leakage/Surplus) is only part of the evaluation of community's retail opportunities. Before any conclusions can be drawn about potential business expansion or recruitment opportunities, qualitative considerations such as trade area psychographics and buying habits must be analyzed in context of other market factors.

Leakage/Surplus Index by Major Store Type

The quantitative comparison of retail leakage and surplus in the twelve major store types shown in the chart and table below provides an initial measure of market opportunities. Combining this analysis with the knowledge of the local retail situation will take the process of identifying retail possibilities one step further.

Figure 1 provides the leakage/surplus indices and following is the sales potential and actual sales for major store types.

Figure 1. Leakage/Surplus Index and Actual and Potential Sales by Major Store Types



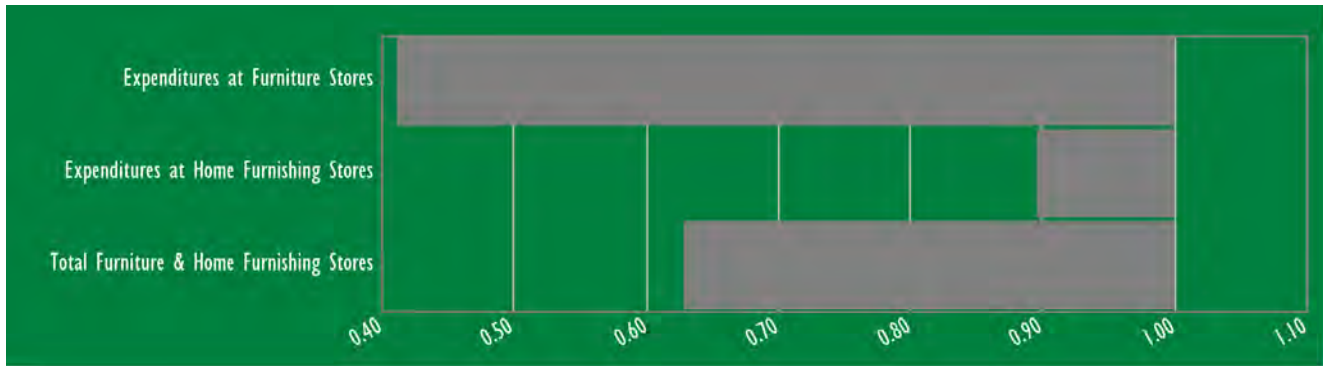
Store Type	Potential	Actual Sales	Leakage
Motor Vehicle Parts & Dealers	\$59,168,403	\$87,432,913	1.5
Furniture & Home Furnishing Stores	\$7,270,276	\$4,570,138	0.6
Electronics & Appliance Stores	\$6,697,626	\$2,410,723	0.4
Building Material & Garden Equipment & Supply Dealers	\$33,578,571	\$42,249,344	1.3
Food & Beverage Stores	\$39,652,045	\$45,745,467	1.2
Health & Personal Care Stores	\$17,351,661	\$21,572,972	1.2
Clothing & Clothing Accessories Stores	\$13,793,774	\$12,756,072	0.9
Sporting Goods, Hobby, Book, & Music Stores	\$4,816,874	\$1,897,374	0.4
General Merchandise Stores	\$37,373,416	\$43,706,034	1.2
Miscellaneous Store Retailers	\$7,500,048	\$9,631,788	1.3
Foodservice & Drinking Places	\$30,244,273	\$30,560,789	1.0
Total	\$257,446,966	\$302,533,612	1.2

Sub-Categories of Motor Vehicle Parts & Dealers



Store Type	Potential	Actual Sales	Leakage
Expenditures at Automotive Dealers	\$51,138,755	\$63,932,578	1.3
Expenditures at Other Motor Vehicle Dealers	\$3,374,850	\$2,218,163	0.7
Expenditures at Automotive Parts, Accessories, and Tire Stores	\$4,654,798	\$21,282,171	4.6
Total Motor Vehicle Parts & Dealers	\$59,168,403	\$87,432,913	1.5

Sub-Categories of Furniture & Home Furnishing Stores



Store Type	Potential	Actual Sales	Leakage
Expenditures at Furniture Stores	\$4,016,461	\$1,653,689	0.4
Expenditures at Home Furnishing Stores	\$3,253,815	\$2,916,450	0.9
Total Furniture & Home Furnishing Stores	\$7,270,276	\$4,570,138	0.6

Sub-Categories of Electronics & Appliance Stores



Store Type	Potential	Actual Sales	Leakage
Expenditures at Appliance, Television, and Other Electronics Stores	\$5,113,671	\$1,860,416	0.4
Expenditures at Computer and Software Stores	\$1,330,350	\$550,307	0.4
Expenditures at Camera and Photographic Equipment Stores	\$253,605	\$0	0.0
Total Electronics & Appliance Stores	\$6,697,626	\$2,410,723	0.4

Sub-Categories of Building Material & Garden Equipment & Supply Dealers



Store Type	Potential	Actual Sales	Leakage
Expenditures at Home Centers	\$12,145,853	\$0	0.0
Expenditures at Paint and Wallpaper Stores	\$693,918	\$0	0.0
Expenditures at Hardware Stores	\$2,418,362	\$8,658,332	3.6
Expenditures at Other Building Materials Dealers	\$15,624,279	\$27,502,773	1.8
Expenditures at Outdoor Power Equipment Stores	\$426,006	\$0	0.0
Expenditures at Nursery and Garden Centers	\$2,270,153	\$6,088,238	2.7
Total Building Material & Garden Equipment & Supply Dealers	\$33,578,571	\$42,249,344	1.3

Sub-Categories of Food & Beverage Stores



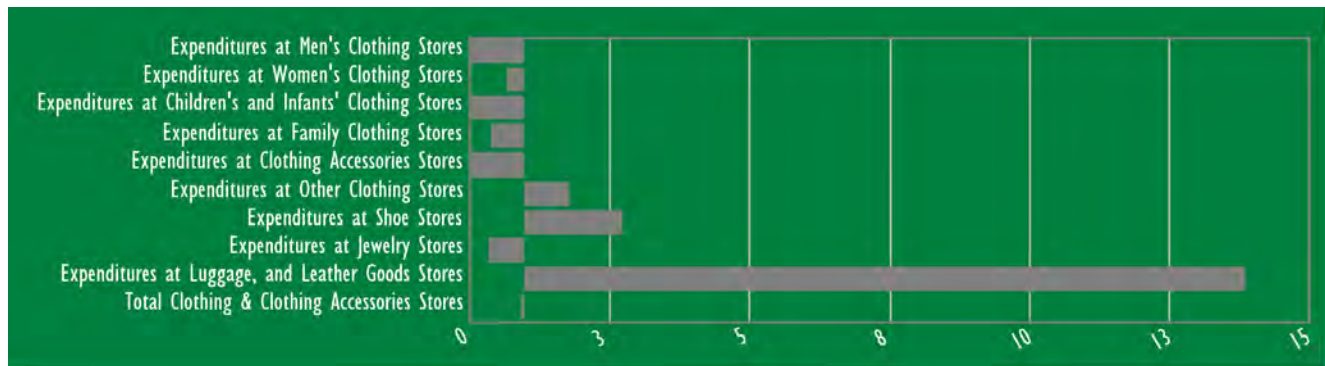
Store Type	Potential	Actual Sales	Leakage
Expenditures at Supermarkets and Other Grocery (except Convenience) Stores	\$34,379,154	\$41,357,278	1.2
Expenditures at Convenience Stores	\$1,770,219	\$1,324,990	0.7
Expenditures at Specialty Food Stores	\$1,151,535	\$940,855	0.8
Expenditures at Beer, Wine, and Liquor Stores	\$2,351,136	\$2,122,344	0.9
Total Food & Beverage Stores	\$39,652,045	\$45,745,467	1.2

Sub-Categories of Health & Personal Care Stores



Store Type	Potential	Actual Sales	Leakage
Expenditures at Pharmacies and Drug Stores	\$15,169,241	\$20,128,590	1.3
Expenditures at Cosmetics, Beauty Supplies and Perfume Stores	\$606,807	\$417,182	0.7
Expenditures at Optical Goods Stores	\$489,963	\$620,395	1.3
Expenditures at Other Health and Personal Care Stores	\$1,085,650	\$406,806	0.4
Total Health & Personal Care Stores	\$17,351,661	\$21,572,972	1.2

Sub-Categories of Clothing & Clothing Accessories Stores



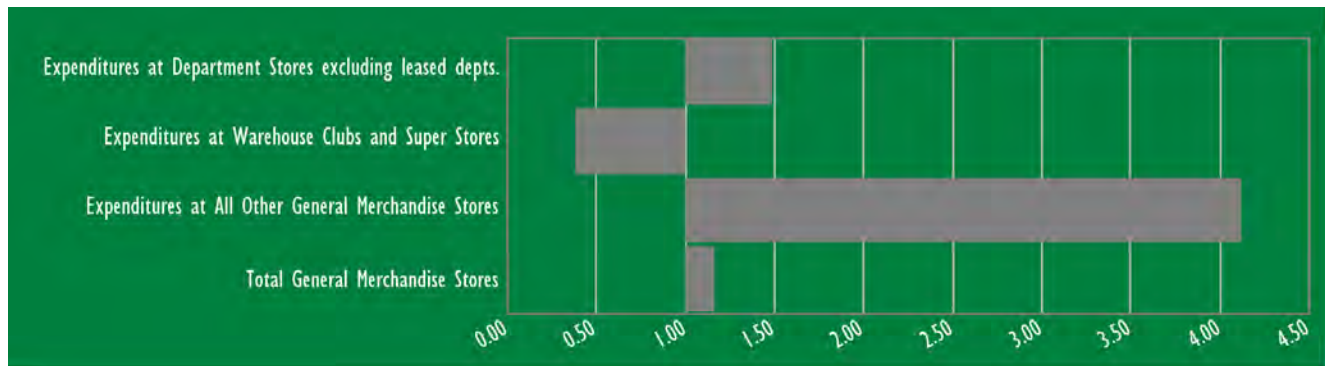
Store Type	Potential	Actual Sales	Leakage
Expenditures at Men's Clothing Stores	\$664,729	\$1,795	0.0
Expenditures at Women's Clothing Stores	\$2,447,381	\$1,598,915	0.7
Expenditures at Children's and Infants' Clothing Stores	\$651,460	\$0	0.0
Expenditures at Family Clothing Stores	\$5,429,881	\$2,120,655	0.4
Expenditures at Clothing Accessories Stores	\$214,083	\$0	0.0
Expenditures at Other Clothing Stores	\$631,632	\$1,135,140	1.8
Expenditures at Shoe Stores	\$1,951,338	\$5,325,362	2.7
Expenditures at Jewelry Stores	\$1,658,052	\$559,200	0.3
Expenditures at Luggage, and Leather Goods Stores	\$145,219	\$2,015,005	13.9
Total Clothing & Clothing Accessories Stores	\$13,793,774	\$12,756,072	0.9

Sub-Categories of Sporting Goods, Hobby, Book, & Music Stores



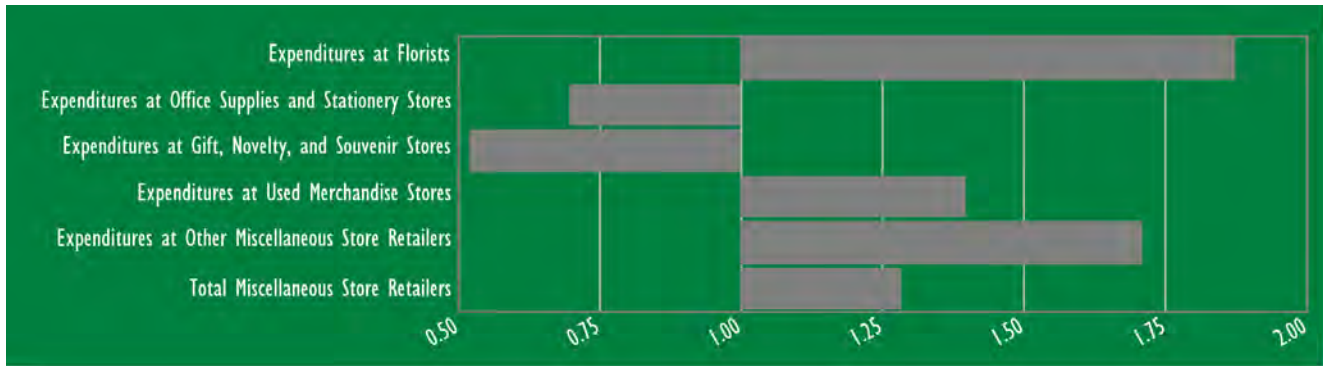
Store Type	Potential	Actual Sales	Leakage
Expenditures at Sporting Goods Stores	\$1,698,822	\$1,214,354	0.7
Expenditures at Hobby, Toys and Games Stores	\$1,156,815	\$153,098	0.1
Expenditures at Sew/Needlework/Piece Goods Stores	\$285,864	\$73,663	0.3
Expenditures at Musical Instrument and Supplies Stores	\$331,758	\$184,313	0.6
Expenditures at Book Stores and News Dealers	\$900,467	\$101,799	0.1
Expenditures at Prerecorded Tape, Compact Disc, and Record Stores	\$443,148	\$170,146	0.4
Total Sporting Goods, Hobby, Book, & Music Stores	\$4,816,874	\$1,897,374	0.4

Sub-Categories of General Merchandise Stores



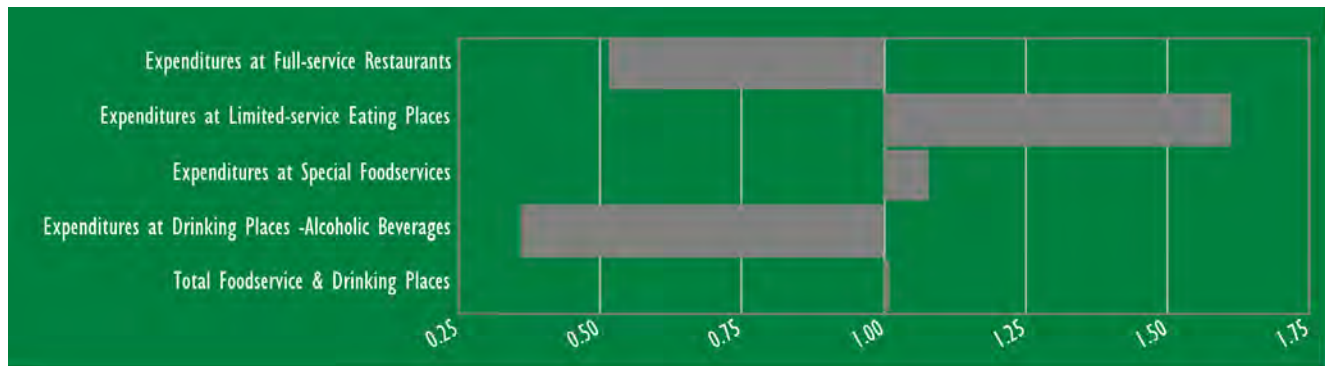
Store Type	Potential	Actual Sales	Leakage
Expenditures at Department Stores excluding leased depts.	\$17,461,467	\$25,913,009	1.5
Expenditures at Warehouse Clubs and Super Stores	\$17,230,809	\$6,741,911	0.4
Expenditures at All Other General Merchandise Stores	\$2,681,139	\$11,051,114	4.1
Total General Merchandise Stores	\$37,373,416	\$43,706,034	1.2

Sub-Categories of Miscellaneous Store Retailers



Store Type	Potential	Actual Sales	Leakage
Expenditures at Florists	\$547,435	\$1,025,996	1.9
Expenditures at Office Supplies and Stationery Stores	\$1,619,414	\$1,130,508	0.7
Expenditures at Gift, Novelty, and Souvenir Stores	\$1,227,116	\$637,866	0.5
Expenditures at Used Merchandise Stores	\$610,644	\$854,341	1.4
Expenditures at Other Miscellaneous Store Retailers	\$3,495,438	\$5,983,077	1.7
Total Miscellaneous Store Retailers	\$7,500,048	\$9,631,788	1.3

Sub-Categories of Foodservice & Drinking Places



Store Type	Potential	Actual Sales	Leakage
Expenditures at Full-service Restaurants	\$13,867,721	\$7,149,410	0.5
Expenditures at Limited-service Eating Places	\$12,479,538	\$20,162,821	1.6
Expenditures at Special Foodservices	\$2,551,566	\$2,761,227	1.1
Expenditures at Drinking Places -Alcoholic Beverages	\$1,345,449	\$487,330	0.4
Total Foodservice & Drinking Places	\$30,244,273	\$30,560,789	1.0

Sources and Methodology

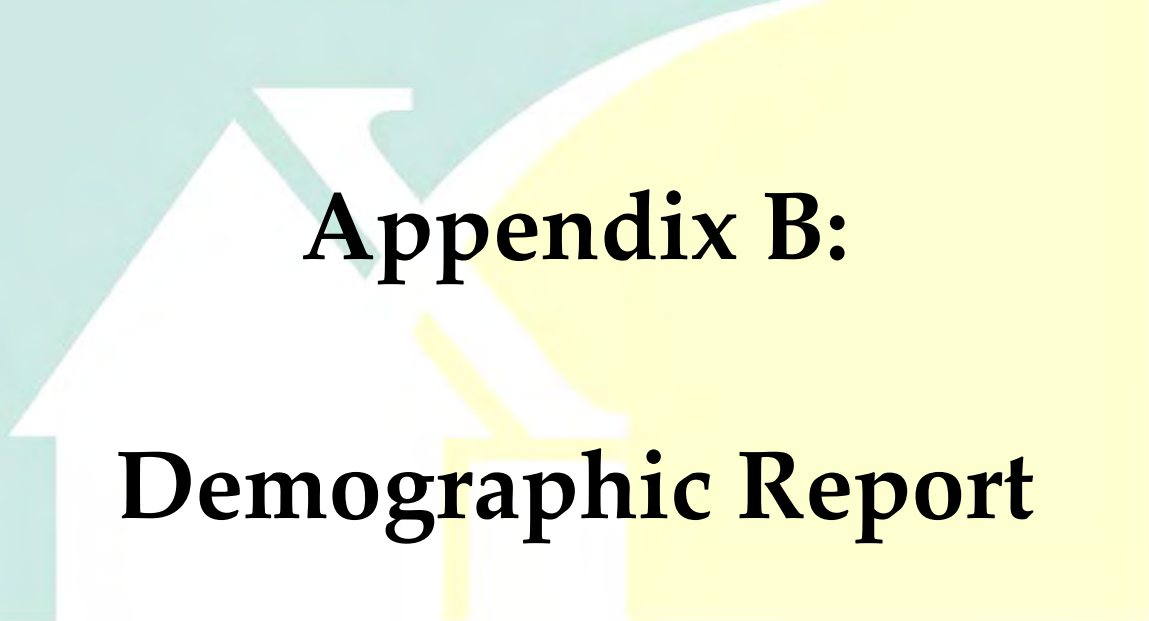
The primary data sources used in the construction of the database include:

- Current year AGS (Applied Geographic Solutions) Consumer Expenditure Estimates
- Census of Retail Trade, Merchandise Line Sales
- Census Bureau Monthly Retail Trade

The Census of Retail Trade presents a table known as the Merchandise Line summary, which relates approximately 120 merchandise lines (e.g. hardware) to each of the store types. For each merchandise line, the distribution of sales by store type can be computed, yielding a conversion table which apportions merchandise line sales by store type.

The AGS (Applied Geographic Solutions) Consumer Expenditure database was re-computed to these merchandise lines by aggregating both whole and partial categories, yielding, at the block group level, a series of merchandise line estimates which are consistent with the AGS Consumer Expenditure database.

These two components were then combined in order to derive estimated potential by store type. The results were then compared to current retail trade statistics to ensure consistency and completeness.



Appendix B:
Demographic Report

Analysis Geography: US Hwy 90 & St Hwy 36
Sealy, TX

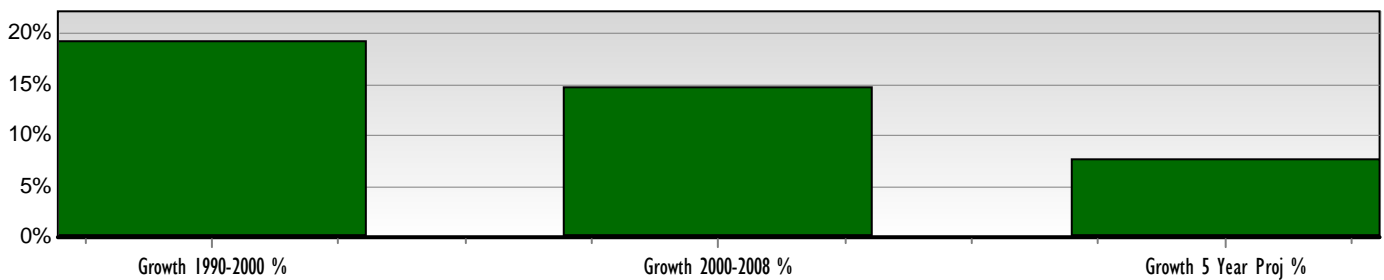
Date: 7/1/2010

**15 Min Drive
Time**

Population Profile

2013 Projection	27,440
2008 Estimate	25,466
2000 Census	22,197
1990 Census	18,611

Population Change



**15 Min Drive
Time**

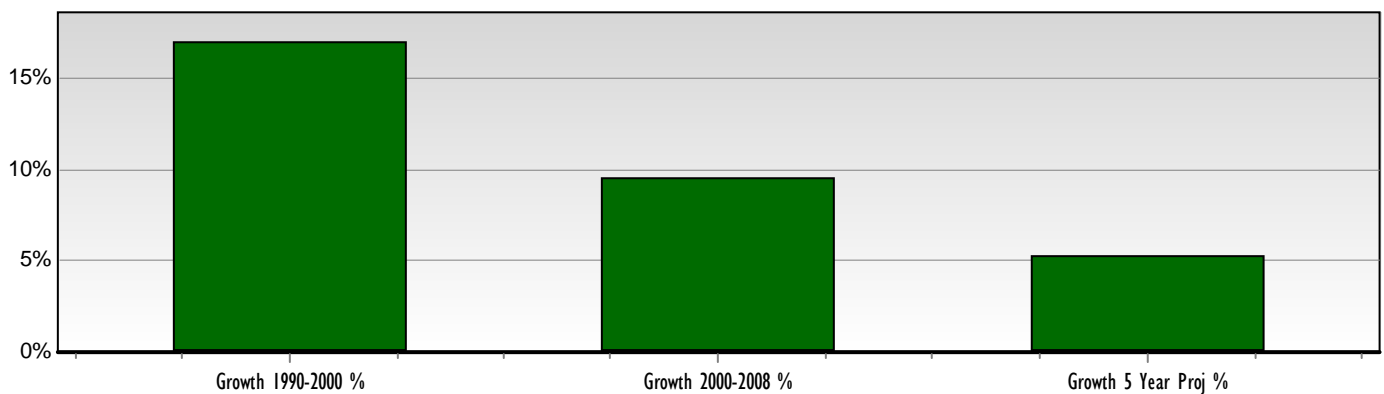
Work Place Population

Total	10,402
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Household Profile

2013 Projection	9,077
2008 Estimate	8,627
2000 Census	7,877
1990 Census	6,734

Household Change



Analysis Geography: US Hwy 90 & St Hwy 36
Sealy, TX

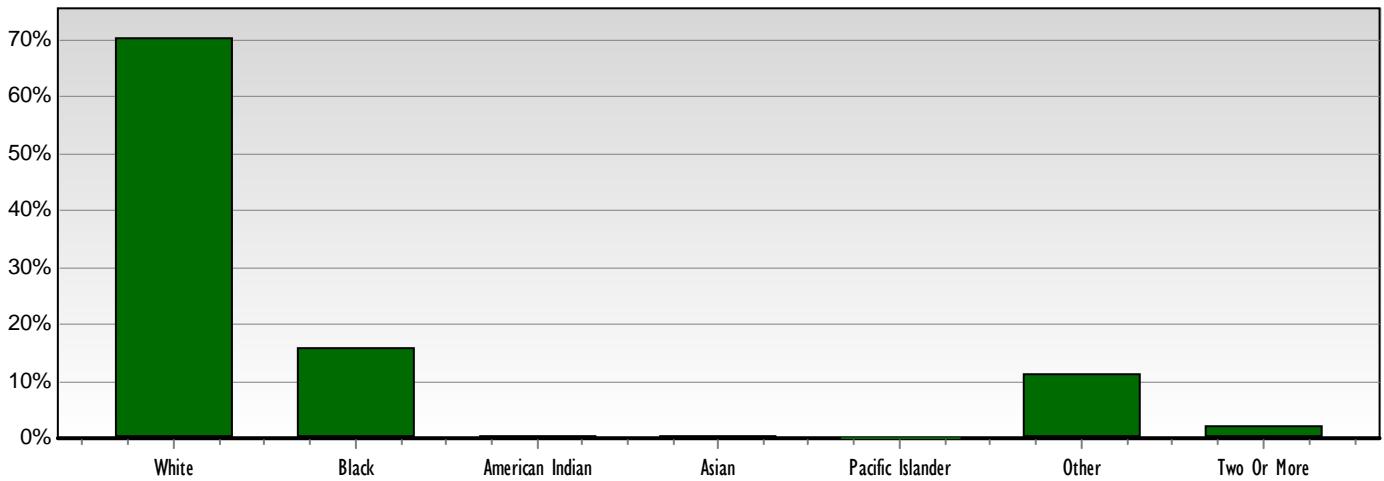
Date: 7/1/2010

**15 Min Drive
Time**

Population By Race (Current)

White	17,911
Black	4,050
American Indian	89
Asian	86
Pacific Islander	4
Other	2,825
Two Or More	501
Total Population By Race	25,466

Population By Race (Current)



**15 Min Drive
Time**

Population By Hispanic Origin (Current)

Hispanic Origin	7,595
Non Hispanic Origin	17,871

Analysis Geography: US Hwy 90 & St Hwy 36
Sealy, TX

Date: 7/1/2010

15 Min Drive
Time

Population By Age (Current)

0 to 4 years	2,031
5 to 9 years	1,738
10 to 13 years	1,401
14 to 17 years	1,468
18 to 19 years	712
20 to 24 years	1,863
25 to 34 years	3,731
35 to 44 years	3,138
45 to 49 years	1,714
50 to 54 years	1,628
55 to 59 years	1,468
60 to 64 years	1,215
65 to 74 years	1,677
75 to 84 years	1,131
85+ Years	551

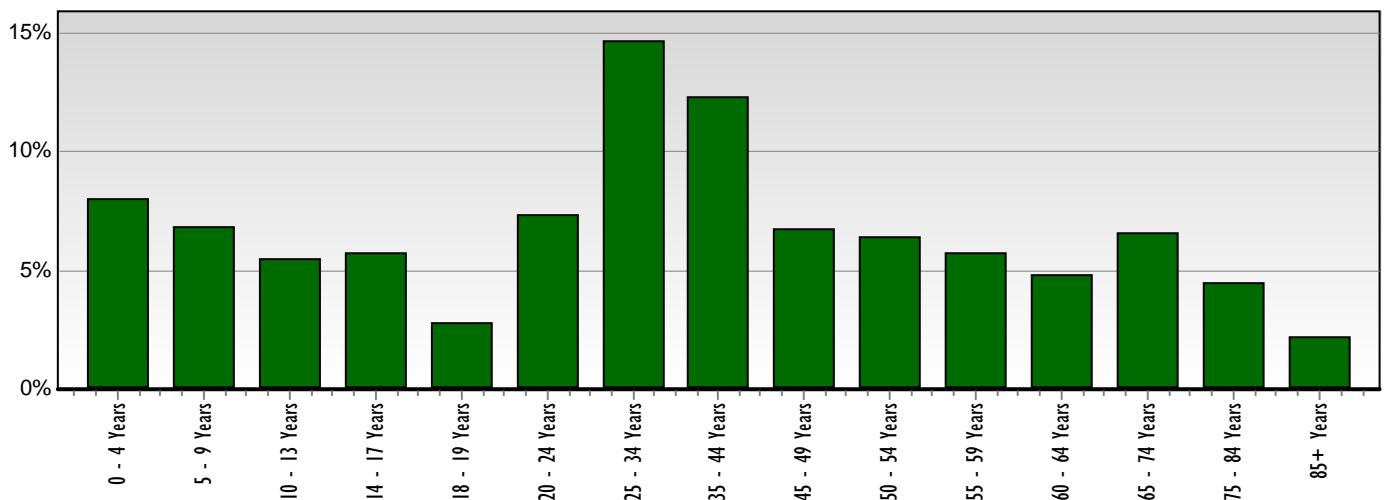
Total Population By Age

25,466

Median Age

35.1

Population By Age (Current)



Analysis Geography: US Hwy 90 & St Hwy 36
Sealy, TX

Date: 7/1/2010

**15 Min Drive
Time**

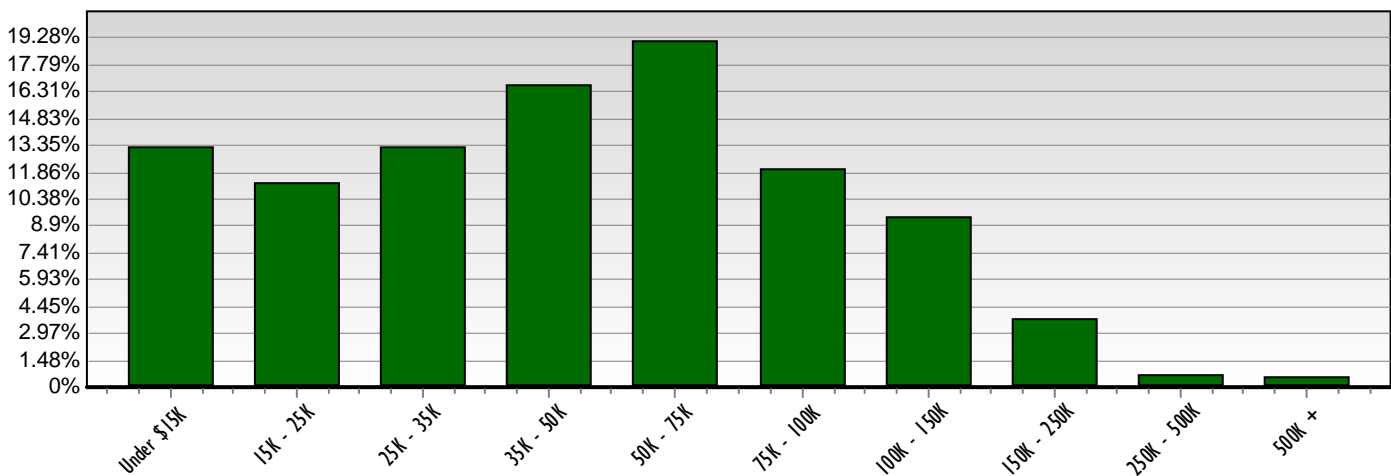
Households By Income (Current)

Under \$15,000	1,146
\$15,000 to \$24,999	967
\$25,000 to \$34,999	1,146
\$35,000 to \$49,999	1,443
\$50,000 to \$74,999	1,648
\$75,000 to \$99,999	1,041
\$100,000 to \$149,999	809
\$150,000 to \$249,999	320
\$250,000 to \$499,999	58
\$500,000 +	49

Total Households By Income

Average Household Income	8,627
Median Household Income	\$55,172

Households By Income (Current)





Appendix C:

Segmentation Guide

Group Structure

Segment Group	Label	Segment Name	% of US Households	
A	Affluent Suburbia 11.19%	A01	America's Wealthiest	1.14%
		A02	Dream Weavers	1.74%
		A03	White-collar Suburbia	1.43%
		A04	Upscale Suburbanites	0.84%
		A05	Enterprising Couples	0.84%
		A06	Small-town Success	2.38%
		A07	New Suburbia Families	2.82%
B	Upscale America 13.26%	B01	Status-conscious Consumers	1.55%
		B02	Affluent Urban Professionals	1.44%
		B03	Urban Commuter Families	6.33%
		B04	Solid Suburban Life	0.63%
		B05	Second-generation Success	2.40%
		B06	Successful Suburbia	0.91%
C	Small-town Contentment 7.64%	C01	Second City Homebodies	0.74%
		C02	Prime Middle America	3.52%
		C03	Suburban Optimists	0.61%
		C04	Family Convenience	1.93%
		C05	Mid-market Enterprise	0.84%
D	Blue-collar Backbone 6.57%	D01	Nuevo Hispanic Families	2.73%
		D02	Working Rural Communities	1.06%
		D03	Lower-income Essentials	0.83%
		D04	Small-city Endeavors	1.95%
E	American Diversity 9.73%	E01	Ethnic Urban Mix	1.89%
		E02	Urban Blues	1.74%
		E03	Professional Urbanites	2.09%
		E04	Suburban Advantage	1.15%
		E05	American Great Outdoors	1.37%
		E06	Mature America	1.48%
F	Metro Fringe 10.63%	F01	Steadfast Conservatives	6.51%
		F02	Moderate Conventionalists	1.60%
		F03	Southern Blues	0.92%
		F04	Urban Grit	0.55%
		F05	Grass-roots Living	1.05%
G	Remote America 7.39%	G01	Hardy Rural Families	2.70%
		G02	Rural Southern Living	2.71%
		G03	Coal and Crops	1.81%
		G04	Native Americana	0.18%
H	Aspiring Contemporaries 11.18%	H01	Young Cosmopolitans	3.22%
		H02	Minority Metro Communities	2.20%
		H03	Stable Careers	4.29%
		H04	Aspiring Hispania	1.48%
I	Rural Villages and Farms 4.77%	I01	Industrious Country Living	1.30%
		I02	America's Farmlands	1.04%
		I03	Comfy Country Living	0.73%
		I04	Small-town Connections	0.48%
		I05	Hinterland Families	1.23%
J	Struggling Societies 8.20%	J01	Rugged Rural Style	1.62%
		J02	Latino Nuevo	2.91%
		J03	Struggling City Centers	1.72%
		J04	College Town Communities	0.98%
		J05	Metro Beginnings	0.98%
K	Urban Essence 8.63%	K01	Unattached Multi-cultures	0.38%
		K02	Academic Influences	0.47%
		K03	African-American Neighborhoods	1.93%
		K04	Urban Diversity	2.44%
		K05	New Generation Activists	2.37%
		K06	Getting By	1.05%
L	Varying Lifestyles 0.80%	L01	Military Family Life	0.31%
		L02	Major University Towns	0.27%
		L03	Gray Perspectives	0.22%

Mosaic USA Group Descriptions

A full Mosaic media guide is available online at: www.buxtonco.com/mosaic.asp

Group A: Affluent Suburbia

The wealthiest households in the U.S. living in exclusive suburban neighborhoods enjoying the best of everything that life has to offer

The seven Segments in the Affluent Suburbia group comprise the wealthiest households in the nation. These segments outrank all other Mosaic Segments in terms of household income, home value and educational achievement. Concentrated in exclusive suburban neighborhoods, these households are predominantly white, college educated and filled with Baby Boom parents and their children. With their managerial and executive positions paying six-figure-plus incomes, they enjoy the good life in fashionable houses outfitted with the latest technology. These are the Americans who drive luxury cars, belong to country clubs, travel abroad and relax by sailing, golfing or skiing. Many are culture buffs who attend the theater, art shows, dance performances and concerts, all at high rates. Both their purchasing behavior and media choices reflect their interests in money management, travel, computers and gourmet foods.

Group B: Upscale America

College-educated couples and families living in the metropolitan sprawl earning upscale incomes providing them with large homes and very comfortable and active lifestyles

The six Segments in Upscale America are populated with mainly white, college-educated couples and families living in the metropolitan sprawl. Most of the adults work as executives and white-collar professionals, and their upscale incomes provide them with large homes and comfortable lifestyles. They like to spend their leisure time getting exercise—jogging, biking and swimming are popular—or shopping for the latest in-fashion and high-tech electronics. They are active in community affairs as members of business clubs, environmental groups and arts associations. They're selective media fans who prefer magazines and cable TV channels that cover business, fashion and the arts. Their one exception is the Internet. These Americans are omnivorous Web users who go online for everything from banking and trading stocks to downloading music and buying merchandise.

Group C: Small-town Contentment

Middle-aged, upper-middle-class families living in small towns and satellite cities with moderate educations employed in white-collar, blue-collar and service professions

The five Segments in Small-town Contentment represent the nation's middle-aged, upper-middle-class families living in small towns and satellite cities. As a group, they share moderate educations and a mix of well-paying jobs in white-collar, blue-collar and service professions. With their locations outside the nation's major metros, these households can afford recently built homes and new SUVs and pickup trucks. They enjoy outdoor sports like hiking, fishing and camping. They are also close enough to big cities to frequent comedy clubs, nightclubs and upscale malls for designer clothes and sporting goods. They tend to have varied media tastes, enjoying music and comedy shows on television, modern rock and country music on the radio and fitness and music magazines from newsstands. They are active Internet users going online for instant messaging, exchanging email and getting the latest sports scores and news.

Group D: Blue-collar Backbone

Budget-conscious, young and old blue-collar households living in older towns working in manufacturing, construction and retail trades

The four Segments in Blue-collar Backbone are a bastion of blue-collar diversity. This group features above-average proportions of both old and young residents, whites and Hispanics, families and singles, homeowners and apartment renters. Most residents live in older outlying towns and cities, and work at blue-collar jobs in manufacturing, construction and retail trades. Their lifestyle reflects a working-class sensibility. Their most popular leisure activities include baseball, soccer, fishing and woodworking. They're more likely to go out to a veterans club than attend a concert or play. These budget-conscious households shop at discount clothiers and department stores, and they have low rates for buying investments or insurance products. With relatively few entertainment options due to their remote location or lack of discretionary income, this group is a strong market for traditional media. Residents like to watch soaps and game shows on television, listen to country music on the radio and read a variety of outdoor and women's magazines.

Group E: American Diversity

A diverse group of ethnically mixed singles and couples, middle-aged and retired with middleclass incomes from blue-collar and service industry jobs

American Diversity is a reflection of how contrasting mid-America's population is. It is an ethnic mix of middle-aged couples, singles and retirees. With a few exceptions, these six Mosaic Segments consist of households with average educations and middle-class incomes from blue-collar and service industry jobs. Many of the group's adults are older Americans—aging singles and couples who've already exited the workplace. They tend to have unassuming lifestyles, scoring high for reading books and newspapers, going to movies and plays, and socializing through fraternal orders and veterans clubs. They have traditional media tastes, enjoying TV news, movies and game shows as well as business and shelter magazines. Conservative in their politics and fashion, they have limited interest in new clothing styles, consumer electronics or the Internet.

Group F: Metro Fringe

Racially mixed, lower-middle-class clusters in older single-family homes, semi-detached houses and low-rise apartments in satellite cities

Metro Fringe is a collection of five racially mixed, lower-middle-class Mosaic Segments located primarily in satellite cities such as Kissimmee, FL, Flint MI, Joliet, IL and Fresno, CA. Many of the group's households consist of young singles and couples who work at blue-collar and service industry jobs. They tend to live in older singlefamily homes, semidetached houses and low-rise apartments. Overall, this group is relatively active and pursues sports-oriented lifestyles participating in activities such as soccer and softball, rollerblading, skateboarding, gocarting and video gaming. As shoppers, they patronize discount retailers where they buy the latest fashion and tech gear at low prices. In their homes, they're fans of electronic media, whether it's watching youth-oriented cable channels like Spike TV, FX and Cartoon Network, or going online to chat forums and Web sites for job listings or music downloading.

Group G: Remote America

A mix of farming and small industrial rural communities with outdoor oriented lifestyles living primarily in America's heartland

The four Remote America Segments reflect heartland lifestyles, a mix of farming and small industrial communities mostly located in the nation's midsection. The working-class couples and families in this group tend to be employed in agriculture and blue-collar jobs that pay modest wages. The median home value is about half the national average, and a significant number of residents live in mobile homes. No group has a lower population density, and few have higher rates for outdoors-oriented lifestyles. Households spend their leisure time fishing, hunting, hiking and horseback riding. In their homes, they look to their TV sets for entertainment, especially game shows, soap operas and home improvement shows. Their magazine tastes may split along gender lines with the men reading hunting publications while the women peruse shelter magazines. On the radio, country and western is the preferred choice of music.

Group H: Aspiring Contemporaries

Young, mostly single, ethnically diverse, online active households living in new homes or apartments with discretionary income to spend on themselves

The four Segments in Aspiring Contemporaries are all filled with upward strivers. The households tend to be young (Generation Xers between 18 and 34 years old), ethnically diverse (about 40 percent are minorities) and unattached (about two-thirds are single or divorced). Yet despite traditional barriers to affluence, the members of these metropolitan segments are already solidly middle-class. Many live in relatively new homes or apartments valued at more than the national average—a reliable sign of upward mobility. They're big culture buffs who like to see plays, movies, comics and live bands. They spend a lot of their discretionary income on the latest fashions and consumer electronics. They're heavy media consumers, listening to jazz on the radio and reading the Sunday paper for science and technology news. Raised on technology, they are very Internet savvy, spending their leisure time online to chat, shop, job search, send instant messages, bid in auctions and frequent dating Web sites.

Group I: Rural Villages and Farms

Rural, middle-class married families and couples of varied ages, living and working in agricultural and mining communities

Representing America's agricultural and mining communities, Rural Villages and Farms is a collection of five low-density Segments filled with middle-class families and couples of varied ages. Most of the households in this group are married, white and high school educated. They maintain tranquil lifestyles in unpretentious houses and comfortable mobile homes. They share a fondness for outdoor sports, enjoying fishing, hunting, camping and motor sports. Many residents are do-it-yourselfers who are into woodworking and needlework. They like to shop at the big-box home improvement chains and watch how-to shows on TV. When it comes to media, nothing dominates like country music. They watch their favorite country and western stars on TV, listen to them on the radio and attend their concerts.

Group J: Struggling Societies

Young minorities, students and single parents trying to raise families on low-level jobs in manufacturing, health care and food services

The five Segments in Struggling Societies symbolize the challenges facing a significant number of economically challenged Americans. These households tend to be disadvantaged and uneducated. With incomes half the national average and nearly a third never completing high school, they are consigned to low-level jobs in manufacturing, health care and food services. Many of these residents are young, minorities, students and single parents trying to raise families on low incomes and tight budgets. Without much discretionary income their activities are limited and leisure pursuits include playing sports like basketball, volleyball and skateboarding. They shop at discount clothiers and sporting goods stores for casual apparel and athletic shoes. In these lessfortunate communities, television is a main source of entertainment, specifically reality programs, sitcoms, talk shows and sports. This group also relates to ethnic-oriented media, creating a strong radio market for stations that play Spanish, Mexican and urban contemporary music.

Group K: Urban Essence

Young, single and single-parent minorities living in older apartments working at entry-level jobs in service industries

As a whole, the six segments in Urban Essence make up the nation's least affluent group, a collection of relatively young minorities living in older apartments. More than half the households consist of African Americans and Hispanics. Many of these residents are single or single parents working at entry-level jobs in service industries. With their low education levels and household incomes, residents lead unpretentious lifestyles. Many spend their leisure time playing sports like baseball, basketball and football. With their above-average household size, they make a strong market for children's toys and electronic gear, especially video games, dolls and board games. They have high rates for enjoying traditional media, reading ethnic-targeted magazines, listening to jazz and urban contemporary radio and, especially, watching television. It's hard to find a network program or cable channel that they don't view watching comedies, cartoons, sports, soaps and game shows.

Group L: Varying Lifestyles

Residents who primarily live in group quarters including students, military personnel and institution populations

The three Segments that make up Varying Lifestyles are an unconventional group. What they share is the singular experience of living in group quarters. A majority of this group lives the unique lifestyles offered by the military and university dorm life. Though their daily lives are different from many Americans—as well as each other—those who have the ability are more likely than average Americans to visit museums, zoos and state fairs. They like to stay active doing aerobic exercise, hiking, bowling and playing sports like tennis, baseball and volleyball. They're frequent travelers who vacation abroad as well as within the United States. At home, they divide their time between the television and computer screens. They typically watch TV news, comedy programs and latenight talk shows. When online they frequent chat rooms, auction and banking sites and listen to Internet radio with a preference for rock 'n' roll.

Group B: Upscale America

Segment B03: Urban Commuter Families

Upscale, college educated Baby Boomer families and couples living in comfortable, single detached homes in city neighborhoods on the metropolitan fringe

Demographics

Not all families have fled the nation's cities for the far-out suburbs. In Urban Commuter Families, Baby Boomer families and couples are content to live in comfortable, single detached homes in city neighborhoods on the metro fringe. Many of these upscale, college-educated households contain dual-income couples who put in long hours as professionals and managers in retail, health care and education services. They tend to leverage their home equity with major home improvement projects, and build their real estate holdings with recent purchases of second homes for family getaways.

Lifestyles

With its concentration of empty-nesters, Urban Commuter Families lifestyle is relatively serene. They are not into aerobic sports, preferring to get their exercise from low-impact activities such as gardening, golfing and birdwatching. They enjoy leisure activities like going to the theater or antique show rather than a rock concert or an auto race. They describe themselves as brand-loyal shoppers who prefer to buy functional clothes over expensive designer labels, shopping at stores like Sears and J.C. Penney. With limited interest in the latest electronics and technology products, their homes are more likely to contain stereos and 35-mm cameras than MP3 players and digital cameras. These conservative investors put their money to work in CDs, U.S. savings bonds and taxsheltered annuities. With their high rates of owning houses and vacation homes, they take out home improvement loans and spend their free time roaming the aisles at Home Depot and Lowe's, Linens 'N Things and Pottery Barn.

Media

The households in Urban Commuter Families are old-fashioned media fans. They subscribe to daily newspapers at high rates and spend their Sunday mornings poring over the travel section and the ad inserts. They pick up traditional general interest magazines at the supermarket, enjoying Reader's Digest, Family Circle and Good Housekeeping. On their commute to work, they listen to the calming strains of classical, golden oldies and big band music on the radio. When they finally wind down in front of a TV, these conservative households watch Fox News, the History Channel and the old movies on AMC and TMC. Their Mosaic motto could be "No surprises, please."

Group C: Small-town Contentment

Segment C02: Prime Middle America

A mix of young, upper-middle-class couples and families living in both small towns and mid-sized cities working in well paying white-collar and blue-collar jobs

Demographics

Prime Middle America features a mix of couples and families living in both small towns and mid-sized cities in the South and Northwest. Younger than average and upper-middle-class in status, these predominantly white dual-income households have well-paying blue-collar and white-collar jobs in transportation, manufacturing and public administration. Most of the households own their own homes and are nearly twice as likely to live in mobile homes than the national average.

Lifestyles

Prime Middle America features a small-town, family-centered lifestyle. Households enjoy leisure activities like playing cards and board games as well as outdoor pursuits such as fishing, biking and swimming at a lake. Many are do-it-yourselfers who load up their SUVs and pickup trucks with home improvement supplies from stores such as Lowe's, Home Depot and True Value Hardware. Their incomes afford them a wide range of mortgages, home equity loans and college savings plans. As consumers, they describe themselves as less interested in new fashions than the latest high-tech gadgets.

Media

When the folks in this cluster put down their hammers and saws, they enjoy a variety of media. Prime Middle America residents like to gather round their large-screen TVs to watch reality shows, sports and cable channels such as MTV, FX, Discovery and Country Music Television. They're traditionalists who enjoy reading established magazines such as Woman's World, Field & Stream and Parents. The radio soundtrack usually playing features a mix of country music, classic rock and contemporary hits. The Internet has expanded the entertainment and convenience choices for residents of small towns, and Prime Middle America households are no exception. They like to go online to play games, do their banking and participate in auctions for antiques and collectibles.

Group E: American Diversity

Segment E02: Urban Blues

Young Hispanic families, singles, and single parents living in urban areas working in low paying, entry-level blue-collar and service jobs

Demographics

While many residents in this cluster may be singing the Urban Blues, the tune probably has a Latin beat. More than three-quarters of all households in this segment are Hispanic—roughly six times the U.S. average. They tend to be mostly young singles, families and single parents living in urban areas primarily in the Southwest in cities as Houston, TX, San Antonio, TX, Phoenix, AZ and Albuquerque, NM. Their schooling is modest and their unemployment rate is more than twice the national average. Those who do find work typically hold entry-level blue-collar jobs in agriculture, retail and food services. Nearly two-thirds of residents own single-family and mobile homes and the houses are older and valued at less than half the national average.

Lifestyles

The working-class members of Urban Blues make do with low-key lifestyles. They like to spend their free time participating in team sports including soccer, baseball, basketball, volleyball and football. These family-oriented households like to keep busy around the house cooking, listening to Spanish music and entertaining friends. However, without a lot of discretionary income, their activities can be limited and even going to movies or out to dinner can be a challenge for most. Many residents like to shop for new fashion at specialty stores—typically those where clerks speak Spanish—but they also patronize large discount chains such as Ross Dress for Less and Payless Shoes. At the grocery store, they stock up on baby food, energy drinks, meat alternatives and cheese typically paying in cash. With little or no banking services and credit cards, Urban Blues households provide a new market opportunity for financial services and credit cards companies for tapping this underserved and underbanked consumer market.

Media

Urban Blues is dominated by Latin media. Residents tune their radios to stations that play Tejano and ranchera music. They read magazines like Urban Latino and Hispanic Magazine, along with English language titles that reflect their passion for music. They have high rates for watching broadcast television, including English language comedies and cartoons like “George Lopez” and “King of the Hill.” Urban Blues households have low Internet usage rates, but those adults who do go online like to download music and games. These consumers are more comfortable with traditional media, which they often enjoy together as a family.

Group F: Metro Fringe

Segment F01: Steadfast Conservatives

Home to high-school educated mature singles and couples living in middle-class urban bluecollar neighborhoods

Demographics

A quietly aging cluster, Steadfast Conservatives is home to mature singles and couples living in midscale urban neighborhoods. Households tend to be white, high school-educated and middle class. Many have begun to empty nest or are already filled with couples and singles aged 65 years or older. The seniority of many residents does have benefits in the workplace. They earn middle class incomes from skilled jobs in manufacturing, retail and health care. Their incomes go far, allowing residents to own older homes and multiple cars and trucks at higher than average rates.

Lifestyles

The residents of Steadfast Conservatives live up to their old fashioned reputation. They think the stock market is too risky, computers and the Internet too confusing and take preventive medicine before any sign of illness. They even regard aerobic exercise as too strenuous, preferring to spend their leisure time fishing, gardening, antiques or doing needlework or woodworking. For their social life, they attend activities sponsored by fraternal orders, veterans clubs and church groups. As consumers, they're likely to be brand loyal when they shop at favorite stores like J.C. Penney for clothes, Dick's Sporting Goods for outdoor gear and Jo-Ann for needlecrafts. With their middle-class incomes, they make a strong automotive market, especially for American-made pickup trucks and mid-sized sedans. To further protect their established lifestyles, they buy a variety of insurance products— covering health, life, car and home— though primarily low-value policies.

Media

Households in Steadfast Conservatives are fans of traditional media, including print, TV and radio. They like to get their news from a daily paper or the nightly newscasts on network TV. They consider television as a primary source of entertainment in their lives, and they have high rates for watching sitcoms, reality shows, daytime soaps and religious programs. They enjoy reading magazines that appeal to their do-it-yourself sensibilities including popular titles as Family Handyman, Better Homes & Gardens and Country Living. Their radio tastes include a mix of big band, classic rock, country and golden oldies. These households are mostly unenthusiastic about the Internet, but when online they engage in chat forums and visit NASCAR.com.

Group G: Remote America

Segment G01: Hardy Rural Families

Predominantly middle-class, older Americans living rustic lifestyles in older single-family houses and mobile homes located in tiny towns and isolated villages

Demographics

Far beyond the nation's beltways in tiny towns and isolated villages, the households of Hardy Rural Families are thriving. Predominantly white and middle-class, these older Americans have crafted rustic lifestyles in older single-family houses and mobile homes. Most of the households comprise married couples with a single wage earner who are high school educated and have blue-collar jobs in agriculture, construction and transportation. In these tradition-steeped communities, a disproportionate number of households have single wage-earners. To cover the long distances required for even the simplest of errands, these households rely on pickups and SUVs to handle the rough terrain in their rural communities.

Lifestyles

The members of Hardy Rural Families share active outdoor lifestyles. They like to spend their leisure time pursuing activities such as hiking, boating and gardening. Their social lives revolve around fraternal orders, veterans clubs and church groups. They prefer to shop at local stores but, if they can't find what they want, they'll head to discount retail chains like Wal-Mart, Big Lots and Fashion Bug. This is buy-America country where residents look for domestically made pickups and SUVs. They like to take driving trips for short weekend getaways. Many consumers are late adopters of new products, especially consumer electronics: They have relatively low rates for owning computers and digital devices, and their living rooms are likely to be equipped with stereos and TVs hooked up to VCRs. They are not big investors and feel the stock market is too risky. They prefer to pay in cash for things and carry personal loans, car loans and low-to-medium value insurance policies.

Media

In Hardy Rural Families, residents are loyal to traditional media. They listen to country music and classic rock on the radio. They have high rates for reading daily newspapers and magazines that reflect their down-home lifestyles including Country Weekly, Family Handyman and Motor Trend. On television, they tune in to network dramas and daytime soaps as well as cable networks like the Outdoor Channel, Speed Channel and National Geographic Channel. Hardy Rural Families households have low Internet usage rates, but when residents do go online, they're most likely to visit websites of another traditional media—the network TV home pages—to follow the exploits of their favorite programs and stars.

Group G: Remote America

Segment G02: Rural Southern Living

Low income, blue-collar couples and families scattered in sparsely settled mobile home communities across the South

Demographics

Scattered in sparsely settled communities across the South, the households in Rural Southern Living consist of young, predominantly white couples and families with lower-middle-class lifestyles. No segment has more residents living in mobile homes with more than half the households living in manufactured housing. The adults are high school educated and work at blue-collar jobs in manufacturing, construction and transportation. Their low-paying jobs result in household incomes nearly 30 percent below the general population. With their relatively low housing costs, however, these young families have more discretionary cash to stretch their budgets.

Lifestyles

Rural Southern Living households have lifestyles befitting young, exurban households. Their leisure time is dominated by outdoor pursuits that include target shooting, camping and playing softball. They enjoy going to aquariums, state fairs and beaches. When they travel for a vacation, it's usually a long car trip to a state park or national seashore. These price-sensitive consumers believe that clothes at discount stores are just as good as those at higher-end retailers, and their favorite stores include Wal-Mart, Goody's Family Clothing and Belk. They will splurge on consumer electronics such as video game systems, home theater systems and camcorders. They drive pickup trucks and mid-sized sedans probably equipped with satellite radios.

Media

The young households in Rural Southern Living make a strong TV market. They enjoy watching a wide range of programming—primetime sitcoms, comedy shows and crime dramas—and include cable channels such as FX, Comedy Central and Spike TV. They make time to watch network shows like “CSI,” “Two and a Half Men” and “King of the Hill.” As with many rural Mosaic segments, country music provides the soundtrack to many of their activities. Residents also tune in to religious and contemporary hit stations on the radio. When they sit back to read, it's often hunting, car and baby magazines as well as that bible for couch potatoes, TV Guide.

Group H: Aspiring Contemporaries

Segment H02: Minority Metro Communities

Concentrated in inner-ring suburbs, these married couples and single-parent minorities earn above-average incomes from a mix of service industry and white-collar jobs in transportation, health care, education and public administration

Demographics

Minority Metro Communities reflects the nation's growing African-American middle class. With nearly three-quarters of the residents African-American and half the households earning more than \$50,000, this cluster is a testament to high educational achievement and professional employment among African-Americans. Concentrated in inner-ring suburbs, these households earn above-average incomes from a mix of service industry and white-collar jobs in transportation, health care, education and public administration. Many have settled into older homes and semi-detached houses built in the 1960s. There are more households with single parents than married couple families, and the unemployment rate is high. For many in Minority Metro Communities, middleclass status remains a precarious achievement.

Lifestyles

For those with solid incomes and single-family homes, the households in Minority Metro Communities can afford comfortable leisure lives. They go to movies and comedy clubs, belong to civic groups and fraternal orders, and get exercise at aerobics classes or bowling alleys. They're a strong market for youth-oriented toys, with high rates for purchasing dolls, video games and educational toys. Fashion and budget conscious consumers, they like to wear the latest designer fashions but end up shopping at discount chains such as Marshall's, T.J. Maxx and Value City. They're willing to splurge on consumer electronics including video game systems and handheld game devices, but they're still more likely to own stereos than CD players, and instant cameras over digital models. While many drive mid-sized sedans, they feel that foreign cars are more prestigious than American which is not surprising since they admit that their cars should catch people's attention.

Media

Minority Metro Communities is a strong market for ethnic media. Households have high rates for reading magazines like Black Enterprise, Essence and Jet. They tune in to radio stations that offer Southern gospel and religious programming. They're fans of TV programs that feature minority actors and personalities, including "Girlfriends," "The Bernie Mac Show" and "Judge Joe Brown." Television is a popular form of media in this segment, and families here show high rates for watching cable channels such as ABC Family, TV Land and Comedy Central. Unlike many other TV viewers, however, those in Minority Metro Communities like the commercials and find them especially useful when buying children's clothes and products in the marketplace. They are not big online users but when they go online it's to job search and download music and play games.

Group I: Rural Villages and Farms

Segment I01: Industrious Country Living

High school educated, upper-middle-class hard-working couples and families found in industrial remote towns and villages across the country

Demographics

Found in remote towns and villages across the country, Industrious Country Living consists of hard-working couples and families who earn their living from manufacturing, construction, retail and wholesale trades and home businesses. They're predominantly white, high school educated and owners of relatively new homes. They earn respectable incomes with one in three households earning more than \$75,000 per year. Befitting its "industrious" descriptor, nearly two-thirds of Country Living households have multiple workers in the family.

Lifestyles

The households in Industrious Country Living enjoy rustic, outdoor and community-centered lifestyles. They like to fly fish in the summer and snowmobile in the winter. These long-time residents are active in their community belonging to fraternal orders, church boards and veterans clubs. They prefer to shop at local stores than national chains and are willing to travel to go to their favorite stores such as Big Lots, Meijer and Menards. They have a passion for collectibles, including coins, commemorative plates, porcelain figurines and toy cars. Financially conservative, they invest in CDs, savings bonds and carry life and health insurance. They prefer to buy American when they can which is prevalent in the autos they buy. Their households are likely to have three or more cars, and dominated by American branded pickup trucks, SUVs and vans. Although many vehicles are bought used, that's not a problem when repairs are needed since these self-reliant households claim that they're good at fixing mechanical things.

Media

The traditionalists of Industrious Country Living have old-fashioned media tastes. They read the daily newspaper as well as hunting, outdoor and homemaking magazines and listen to golden oldies and religious stations on the radio. Being remote as they are, television is a main source of family entertainment. They like to watch crime dramas and family-oriented comedies on network TV. On cable, they typically watch shows on Disney, Country Music Television, Outdoor Channel and Speed Channel. They have little interest in newer media like the Internet. The relatively few households that do have Internet access are just now discovering the wonders of online shopping and auction sites as eBay enabling them to buy and sell collectibles and other items online from the comfort of their home.

Group J: Struggling Societies

Segment J02: Latino Nuevo

Primarily young, un-educated, but large-family Hispanic households concentrated in the barrios of border states like Texas and California earning very low incomes as laborers and service workers

Demographics

In Latino Nuevo, the American Dream lives in young, recent immigrants looking for better lives. Concentrated in the barrios of border states as Texas and California, the populace is more than 90 percent Hispanic and more than three-quarters of adults are under the age of 45. These households are filled with child-rearing families—no cluster contains more large families—and they tend to live in old apartments and homes valued at half the national average. With half of the residents never completing high school, the vast majority of adults work as laborers or service workers. Although their incomes are one of the lowest in the country—household income is 40 percent below the U.S. average—many residents may have come from countries where economic conditions are worse. For them, Latino Nuevo holds the promise of opportunity.

Lifestyles

Latino Nuevo households are typically living paycheck to paycheck. Residents are unable to afford many leisure activities, so they gravitate to sports that can be played in public parks including soccer, basketball, baseball and volleyball. They support large families and manage to buy infant toys, dolls, video games and Disney related products. To stretch their budgets, residents frequent stores like Toys R Us, Foot Locker and Ross Dress for Less. They're above-average purchasers of many inexpensive grocery items—such as dry soup, Jell-o, powdered soft drinks—in addition to Mexican food, cheese and fresh chicken. They mostly pay in cash since many don't have bank accounts or the creditworthiness to qualify for credit cards, debit cards and loans. While they're off the radar for many traditional banking services, they are frequent users of money transfer companies using them most likely to send money to support relatives in their home countries.

Media

The households of Latino Nuevo are traditional media fans who seek out Spanish-language formats wherever they can find them. Their favorite radio stations play Tejano, ranchera and other forms of Mexican and Spanish music. Their preferred magazines are targeted to Hispanic readers including Latin Style, Latina Style, Hispanic Magazine, Urban Latino and Hispanic Business. Few can afford cable packages, but many homemakers keep their TV sets on all day, watching a variety of ethnic-oriented sitcoms, talk shows and animation like "The Simpsons." Newspapers are another popular source of information, especially news related to the Hispanic community. A small percentage of households are exploring the Internet to download music, gamble and visit chat rooms.