

WISCASSET'S HEALTHY ECONOMY SUPPORTS DEMAND FOR A RETAIL PHARMACY

Quick Stats:

Growing Population

The resident population of the Trade Area is expected to reach 10,400 by 2017.

Aging Population

Over 34% of the Trade Area's population is over the age of 55; climbing to 37% by 2017.

Underserved by Existing Pharmacies

There are no drug stores in the Trade Area currently; the nearest is about 15 minutes away.

Demand in Excess of Supply

The sales gap for health and personal care stores is over \$3.2 million.

High Traffic Volumes

The Trade Area is situated along a major regional commuter corridor and the average annual daily traffic flow along this corridor, US Route 1, is 16,350.

Health Care Sector Growth

There is a strong local network of health care related businesses that are expected to grow.

With continued growth and economic stability, Wiscasset provides the perfect environment for a retail pharmacy to succeed. This environment includes a growing population, high traffic volumes, and sales demand in excess of supply, all leading to an area that is currently underserved by existing pharmacies.

Once coined the prettiest village in Maine, Wiscasset displays its historic roots and breathtaking exhibition of early architecture proudly along US Route 1 in its historic village. Wiscasset is a well-known tourist destination in the Mid-Coast, accommodating nearly 20,000 vehicles per day on US Route 1 during the peak of summer travel. In 2011, Wiscasset ranked 9th in percent of overnight visitors to the Mid-Coast region and was the 4th most visited town in the Mid-Coast region by day trippers according to the Maine Office of Tourism Visitor Tracking Report.

Wiscasset is home to one of the area's largest hardware store, pet supply, and tack shop: Ames True Value. Additionally, critical area services such as four local bank branches, professional offices, clinic and doctor offices, auto sales and services, regional schools, and restaurants are located in Wiscasset as well as a Shaw's supermarket. Wiscasset is also home to a number of year round businesses, vibrant Chamber of Commerce, prospering airport, rail facilities, deep water ports, incipient industrial park, and abounding opportunities.

The local health care sector and existing retail core in Wiscasset provide a solid base and powerful driver for the increasing demand for a pharmacy.



Wiscasset: The Regional Service Center

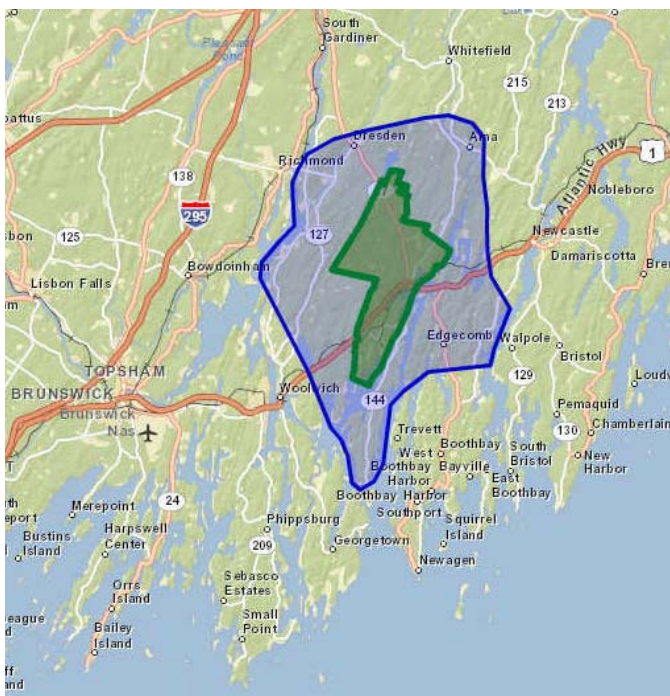
Situated on the tidal Sheepscot River, Wiscasset is the county seat for Lincoln County and service area for the surrounding communities of Edgecomb, Alna, Dresden, Woolwich, Westport Island and neighboring peninsula communities. Nestled in the Mid-Coast Region of Maine, Wiscasset is located on US Route 1, a major state highway servicing eastern Maine. Additional state routes servicing Wiscasset include Route 27, Route 144, and Route 218. Approximately an hour north of Portland; 25 minutes northeast of Brunswick; 25 minutes south of Augusta; and 45 minutes west of Rockland and Camden, Wiscasset is strategically located centrally to several significant Maine cities.

Best known for its charming historic village, eclectic dining experiences at Red’s Eats, quaint bed and breakfast offerings, its inviting Sheepscot River, and as an antique metropolis, Wiscasset offers more than just tourist attractions. The social fabric of the community is best described by the mix of working class families, retirees and summer residents that make up the population. As county seat and service area for neighboring communities, Wiscasset is a commercial core for the region.

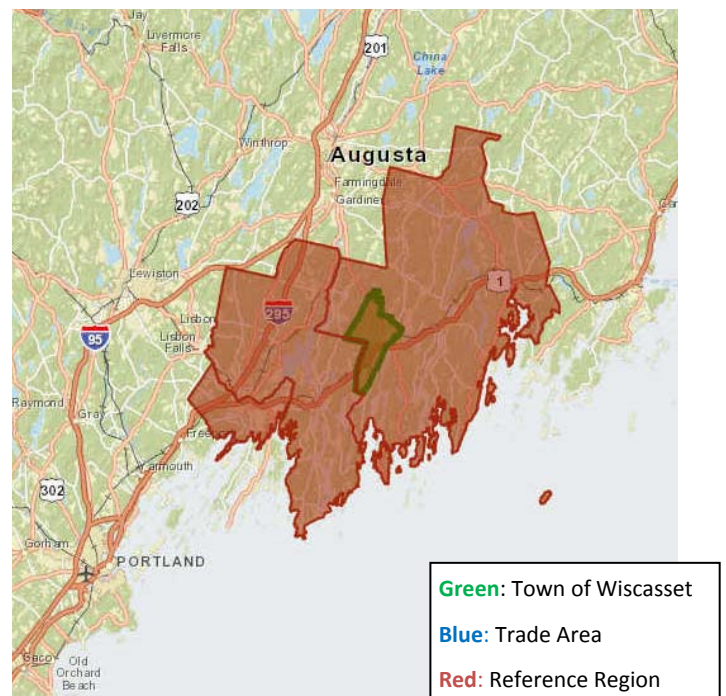
Demographic & Socioeconomic Trends

The following images show the Wiscasset Trade Area for a retail pharmacy in blue, the Town boundary in green, and the reference Region in red.

Town of Wiscasset & Wiscasset Trade Area



Wiscasset Region: Lincoln, Sagadahoc County, & City of Brunswick



The **Trade Area** is defined as the geographic area that represents where a new pharmacy in Wiscasset might draw most (60-75%) of its customers from. The Trade Area was delineated based on the location of other drug stores in the surrounding communities, traffic patterns, physiographic characteristics, and local knowledge.

The **Region** is the area where most Wiscasset residents purchase goods and services and, as shown in the map, includes Lincoln and Sagadahoc Counties and the City of Brunswick. The Region is used as a reference geography; demographic and socioeconomic trends in the Trade Area are compared to trends in the Region and Town of Wiscasset.

Basic Demographic & Socioeconomic

Data: The population in the Trade Area is over 10,300, up from its 2000 level of 9,600 and expected to reach over 10,400 by 2017. The Town's residential population is about 3,900, up from 3,600 in 2000 and expected to reach 4,000 by 2017. The population of the Region is 90,404.

There are currently about 4,300 households in the Trade Area, which is an increase of about 360 from 2000. The number of households in the Trade Area is expected to continue to increase through 2017. The number of households in both the Town of Wiscasset and the Region are expected to increase as well.



Of the three geographies, the Trade Area's population is the oldest with a median age at 45.7 years. The Region's population is a bit younger at 44.3 years and the Town is the youngest at 43.6. In all three geographies, the median age is expected to increase by approximately 1-year over the next five years (2012-2017).

Regarding median household income, the Trade Area is at \$49,200 and is akin to that of the Region, which has a median household income of \$49,800. Over the next five years, median household income is expected to increase in all three geographies reaching over \$50,000 in each.

Basic Demographic & Socioeconomic Data			
Town of Wiscasset	2000	2012	2017
Population	3,603	3,887	4,017
Households	1,472	1,574	1,645
Median Age	39.3	43.6	44.6
Median HH Income	\$37,035	\$42,532	\$50,727
Trade Area	2000	2012	2017
Population	9,628	10,347	10,421
Households	3,895	4,258	4,340
Median Age	40.3	45.7	46.7
Median HH Income	\$40,126	\$49,216	\$53,919
Region	2000	2012	2017
Population	90,002	90,404	89,489
Households	36,425	38,551	38,602
Median Age	37.9	44.3	45.3
Median HH Income	\$40,361	\$49,814	\$56,997

Source: ESRI

Demographic & Socioeconomic Trends:

Population in the Trade Area is expected to remain relatively stable in the next five years with an annual growth rate of 0.14%, similar to the State of Maine. Population in the Town is expected to grow at a similar rate as the Nation.

The number of households in each geography is expected to increase at a faster rate than the respective populations, suggesting an aging population with children moving out of the home. The annual growth rate in the Trade Area is expected to be 0.38%; similar to the State of Maine.

Median household income in the Trade Area is expected to increase by 1.84% annually over the next five years. The Town is expected to experience the greatest annual increase of all the geographies at 3.59%.

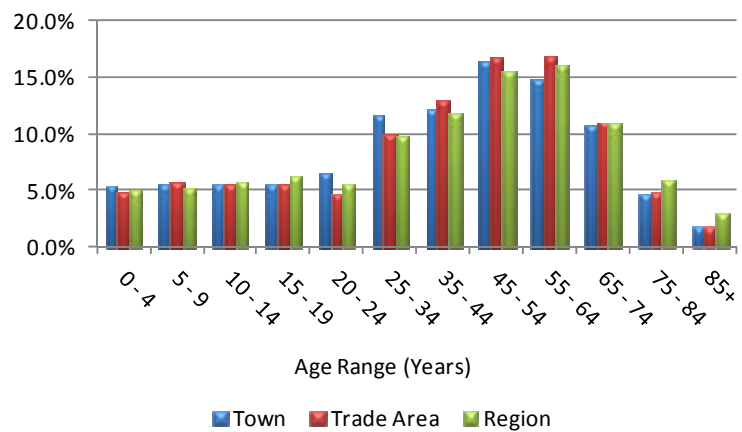
Population Distribution: The population distribution of the Town, Trade Area, and Region by age is quite similar. The Trade Area has a larger percentage of 35 to 74 year olds and the Town has a larger proportion of 20 to 34 year olds. Of the three, the Region has the greatest portion of residents older than 75 years.

Household Income Distribution: Overall, the income distribution of the three geographies is quite similar. Out of the three geographies, the Trade Area has the greatest percentage of households with incomes between \$50,000 and \$99,999.

The demographic and socioeconomic data shows that the Wiscasset Trade Area is a mix of people at various stages of their lives and income levels. This is positive for driving pharmacy demand.

Trends: Projected Annual Growth Rate (2012-2017)			
Geographies	Population	Households	Median HH Income
Town of Wiscasset	0.66%	0.89%	3.59%
Trade Area	0.14%	0.38%	1.84%
Region	-0.20%	-0.02%	2.73%
State of Maine	0.13%	0.32%	3.25%
U.S.	0.68%	0.74%	2.55%

Population Distribution, 2012



Household Income Distribution, 2012



Trade Area Market Trends

Retail Sales/Leakage: Trade Area businesses have about \$90.7 million in sales annually (i.e. “supply”). Businesses in the Health & Personal Care sector (NAICS 446 - includes retail pharmacies) account for about 0.73% (\$664,000) of those sales. Demand by Trade Area residents in this sector, as measured by their spending, is over \$3.9 million meaning that there is a sales gap (demand - sales) of \$3.26 million in unmet demand. If a new pharmacy were to capture 25% of the sales gap, resident spending alone could support a new pharmacy; assuming its sales would be similar to the average sales for pharmacies in Maine (about \$810,000).

The retail sales data also demonstrates the importance of the Town of Wiscasset as a commercial center for the region.

Total retail sales at businesses located in the Town of Wiscasset equate to about \$50 million annually. Consequently, Town businesses account for over 55% of the total sales in the Trade Area.

Market Segmentation: Market segmentation data for the Trade Area were obtained from ESRI’s ‘Community Tapestry’ segmentation model, which classifies consumers according to demographic, socioeconomic, housing, and lifestyle characteristics. Market segmentation is the aggregation of prospective buyers into groups or segments that have similar preferences, values, needs, and will likely react similarly to market conditions. This method is a common practice used by developers, site selectors, and retail business owners to understand the spending habits of consumers in a particular region.

The table below shows the tapestry segments as identified by ESRI for the Wiscasset Trade Area. While much of the information provided in the descriptions does not directly relate to the pharmacy market, this information helps to increase the understanding of the area by providing a high-level overview of consumer behavior in the Wiscasset Trade Area. Additional information about the four Wiscasset market segments can be found by following this link:

<http://www.esri.com/~media/Files/Pdfs/library/brochures/pdfs/tapestry-segmentation.pdf>.

Trade Area Tapestry Segmentation		
Tapestry Segment	Percent	Households
Salt of the Earth	35.6%	1,516
Rural Resort Dwellers	30.6%	1,303
Midland Crowd	16.9%	720
Green Acres	16.9%	720

Salt of the Earth (35.6%): Sixty-five percent of Salt of the Earth households are married couples with and without children. The median age is 41.8 years. Approximately 20% of the workers are employed in the manufacturing sector and the median household income is \$50,406. Residents typically supplement their income with rental properties, self-employed businesses, etc. These residents are settled, traditional, and hardworking people that have a do-it-yourself nature.

Rural Resort Dwellers (30.6%): These neighborhoods are found throughout the United States in rural, non-farm areas. Household types include empty-nester married couples, singles, and married couples with children. The median household age is 47.6 years, and more than half are aged 55 and older. Although retirement beckons, most of these residents are still working. The median household income is \$47,120 and the median home value is \$181,197. These residents live modestly and have simple tastes.

Retail Sales/Leakage

Total Retail Trade (NAICS 44-45):

Demand: \$89,075,512

Sales: \$90,669,697

Gap: -\$1,594,184

Health & Personal Care (NAICS 446):

Demand: \$3,900,994

Sales: \$664,424

Gap: \$3,256,569

They often work on home improvement projects and work in the garden. Active participants in local civic issues, residents also belong to environmental groups and charitable organizations.

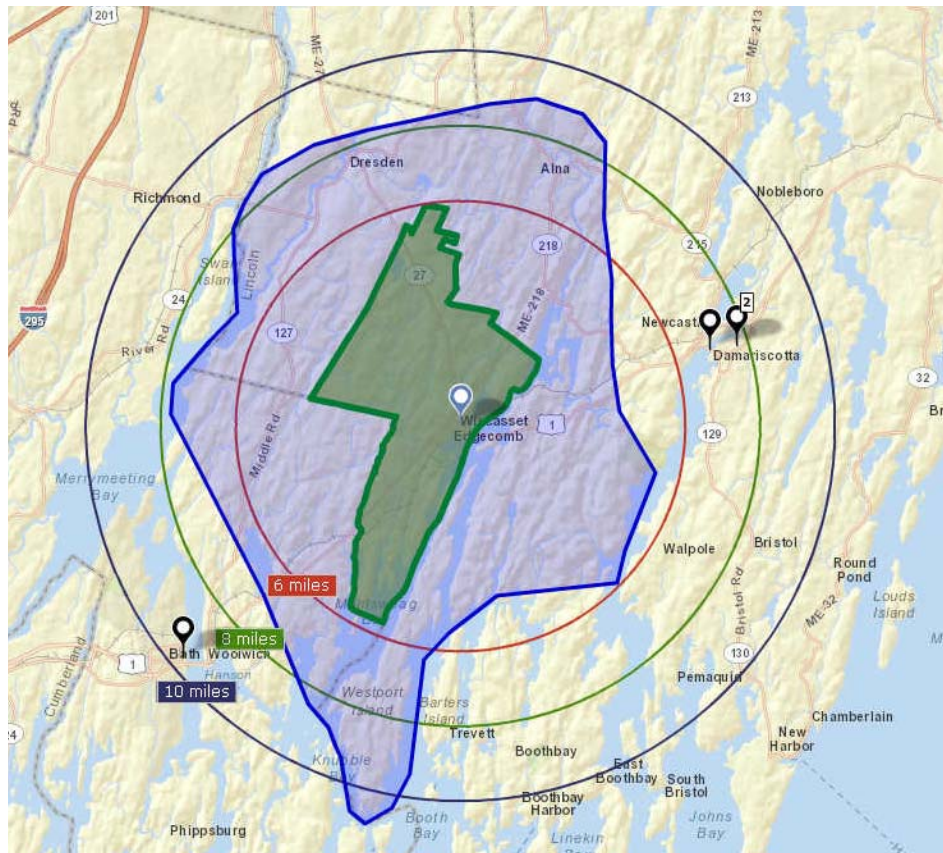
Midland Crowd (16.9%): This is the largest tapestry segment in the Country. The median age is approximately 37.2 years and 62% of households are married couple families and about half have children. Median household income is approximately \$50,096. Residents that work typically hold white collar jobs. Most of these residents live in housing developments in rural villages and towns. Home ownership is 81%. Midland Crowd residents are politically active and tend to be conservative. Proficient do-it-yourselfers, they work on their vehicles, homes, and gardens.

Green Acres (16.9%): Many Green Acres residents are blue collar baby boomers, over 71% of these households are married couples with children aged 6-17, and without children. The medium household income is \$63,430 and occupation distributions are similar to the U.S. Home ownership is high at 86%, and the median home value is \$179,037. Typical of rural residents, Green Acres households own more than one vehicle. Country living describes their lifestyle. These do-it-yourselfers own the necessary power tools for home remodeling/repair and outdoor yard maintenance. Green Acres is a top market for owning a sewing machine. For exercise and fun, these residents ride mountain bikes, go fishing, and paddling.

Underserved Market

Regional drug stores are mapped below (black pins). From the intersection of US Route 1 and US Route 218 (roughly the center of the Town Wiscasset - green), the nearest pharmacy is about 7 miles away in Damariscotta, which is about a 15 minute drive. Residents in the northern portion of the Trade Area (blue) must travel an even greater distance to access a pharmacy. The closest pharmacy to the north is in Gardiner, which is a 20 minute drive from the northern boundary of the Trade Area.

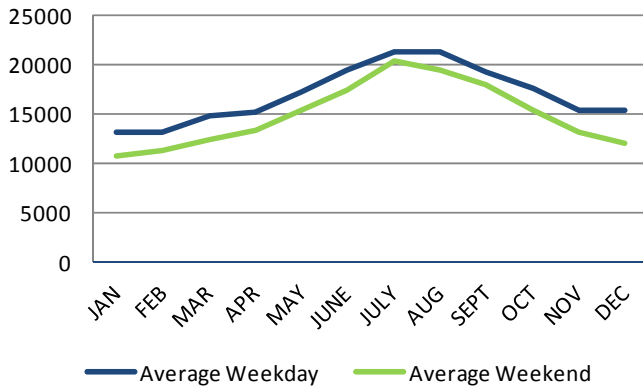
Proximity to Existing Pharmacies



Commuter Data

Traffic Counts: The number of vehicles passing through a region is another indicator of potential demand and Wiscasset is located along an important travel corridor for the region: US Route 1. The annual average daily traffic on US Route 1, which runs north-south through Wiscasset, is 16,350. Traffic along US Route 1 is seasonal, peaking in the summer with over 20,000 vehicles per day.

Daily Traffic Counts:
US 1 (Bath Rd)

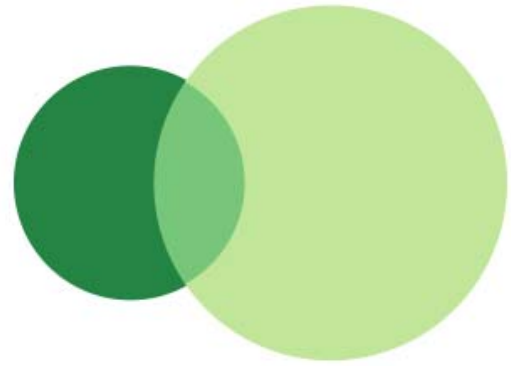


Inflow/Outflow: The Wiscasset Trade Area has over 4,000 working-residents, about 580 of which live and work in the Trade Area, which is illustrated by the overlap of the two circles on the Inflow/Outflow chart. Additionally, almost 3,600 Trade Area residents travel to work outside of the Trade Area (light green circle) and approximately 1,220 individuals that live outside of the Trade Area travel into the Trade Area for work (dark green circle). The 1,220 commuters that travel into the Trade Area for work represent additional potential demand for a pharmacy.

Distance/Direction: Most Trade Area residents that travel for work head southwest on Route 1 (Bath Road) towards Bath. Residents coming into the Trade Area for work originate from all directions, with significant portions coming in from the north and southwest.

Trade Area Commute	Employees Distance to Home		Residence Distance to Work	
	Count	Share	Count	Share
> 10 miles	854	47.3%	1,586	38.0%
10 to 24 miles	550	30.5%	1,522	36.5%
25 to 50 miles	252	14.0%	840	20.1%
50 miles+	149	8.3%	224	5.4%
Total Jobs	1,805	100.0%	4,172	100.0%

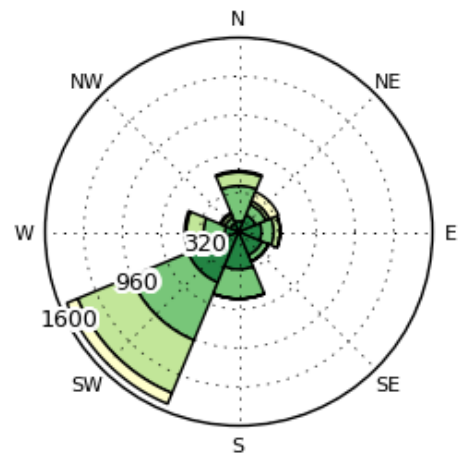
Inflow/Outflow



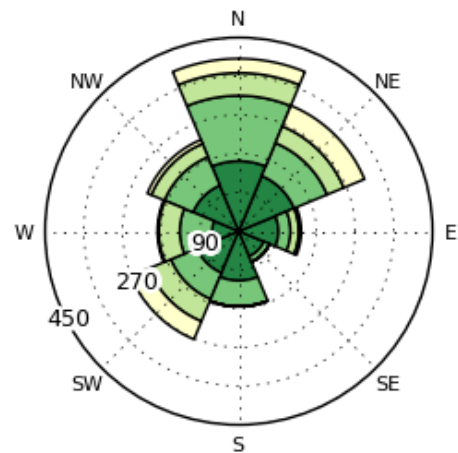
1,218 - Employed in Selection Area, Live Outside
 3,585 - Live in Selection Area, Employed Outside
 587 - Employed and Live in Selection Area

Distance/Direction

Trade Area Residents Direction Traveled from Home to Work



Trade Area Employees Direction Traveled from Work to Home



Health Care & Social Assistance Industry Overview

Existing Health Care & Social Assistance Businesses: Even though there is not a drug store located in the Trade Area, there are several other businesses in the health care and social assistance sector. Approximately 10 ambulatory care facilities employing 85 workers are located in the Trade Area as well as a handful of hospitals, nursing and residential care facilities, and social assistance facilities. Most of these businesses are located within the Town of Wiscasset, many along US Route 1 (Bath Road). Having this network of health care businesses nearby will be important for a new pharmacy as patients visiting these other health care services will be more likely to stop at a nearby pharmacy during the same trip. Additionally, there may be opportunities for a new pharmacy to partner with one or more of these businesses to provide additional health-related services.

Trade Area Health Care & Social Assistance Businesses	
Business	Address
Linda Morris Physical Therapy	847 West Alan Road
Pain Management Center - Midcoast	721 Bath Road
Town Ambulance	51 Bath Road
Lincoln Medical Partners	49 Hooper Street
West Family Chiropractic	42 Federal Street
Wiscasset Spine Center	49 Hooper Street
Wiscasset Family Medicine	66 Water Street
Wiscasset Dental	93 Churchill Street
Just for Grins	510 Bath Road
Branches Homecare	407 Bath Road
Break of Day Corps.	82 Greenleaf Road
Umbrella Mental Health Services	43 Hooper Street
Wiscasset Green	21 Washington Street
Mid-Coast Orthopedics Rehabilitation	430 Bath Road
Wild Grace Wellness Center	36 Ludwig Road
Sheepscot Eye Association	Route 1
Sheepscot Bay Physical Therapy	49 Churchill Street
Sherri Dumbor Massage Therapy	85 Fowle Hill Road
Westport Island Massage Therapy	Westport Island
Snow Squall Inn Spa & Massage	5 Bradford Road

Projected Business Growth: From 2012 to 2017, the health care and social assistance industry in the Town of Wiscasset zip code (04578 - includes Wiscasset and Westport Island) is expected to add 36 jobs and grow by 19%. All of this growth is expected to occur in the industry subsector nursing and residential care.

Data Sources & Additional Information

The data and information provided above was compiled by Camoin Associates for the Town of Wiscasset, ME from the following sources:

- **Commuter Data** - OnTheMap: <http://onthemap.ces.census.gov/>
- **Demographic, Socioeconomic, & Retail Market** - ESRI Business Analyst: <http://www.esri.com/software/businessanalyst>
- **Industry Data** - Economic Modeling Specialists International (EMSI) : <http://www.economicmodeling.com/>
- **Traffic Counts** - State of Maine Department of Transportation via the Town of Wiscasset

In addition, contextual information and feedback for this report was provided by Laurie Smith, *Town Manager*, and Misty Parker, *Director of Planning & Development*.

For more information about opportunities in Wiscasset, please contact:

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