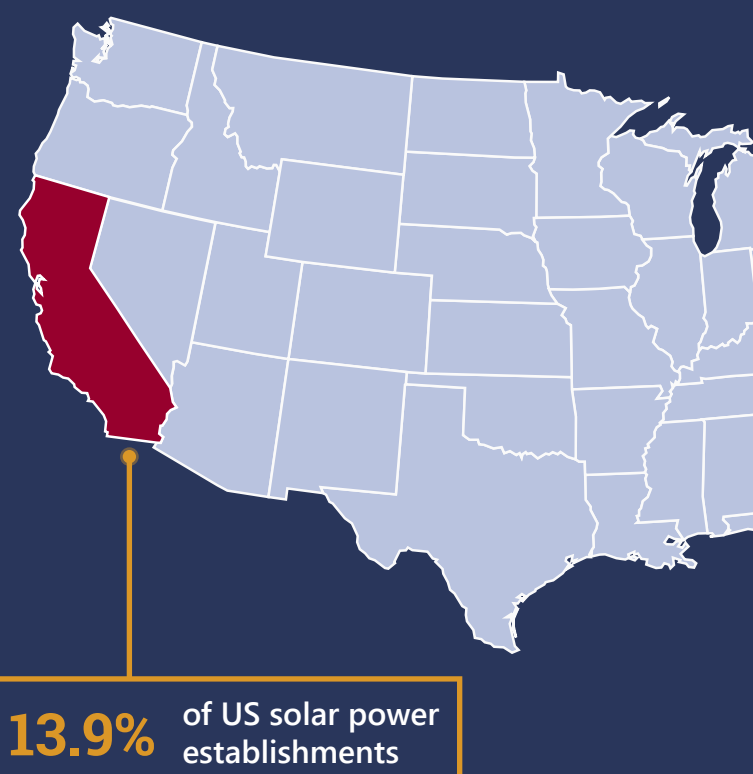


10 Low-Risk Industries and Where to Find Them

Low-risk industries offer exciting opportunities, whether you're looking to expand into new markets or find your next investment.

September 1, 2022



Key Takeaways



While analyzing this data, we identified common trends across several sectors and industries. Here are some highlights:

Growing incentives and government funding for **alternative energy industries** help foster a low-risk environment for these operators.

Constant need for **transportation services**, especially those related to trade and air travel, creates predictable demand and fosters a low-risk environment.

Well-established acceptance of **professional services** makes industries within this sector solidly low risk.

Risk Score Methodology



IBISWorld calculates an industry's overall risk score based on ratings in three categories:

GROWTH

Based on recent and forecast industry growth. [Learn more.](#)

1 - 3 Very Low

>3 - 4.1 Low

STRUCTURE

Reflects internal industry risk factors, such as revenue volatility, barriers to entry and external assistance. [Learn more.](#)

>4.1 - 4.7 Medium-Low

>4.7 - 5.3 Medium

>5.3 - 5.9 Medium-High

SENSITIVITY

Derived from external risk factors, such as input costs, economic drivers and commodity prices. [Learn more.](#)

>5.9 - 7 High

>7 - 9 Very High

1 Wind Power in the US

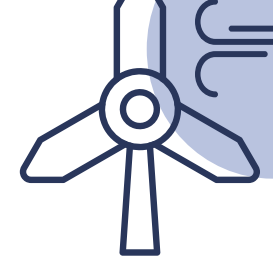
Top Locations # Establishments

1. Texas	119
2. South Carolina	73
3. Pennsylvania	68

National risk score
2.93 | Very low

Risk Components

Structure	3.32
Growth	1.70
Sensitivity	3.35



2 Solar Power in the US

Top Locations # Establishments

1. California	86
2. North Carolina	82
3. South Carolina	46

National risk score
2.94 | Very low

Risk Components

Structure	3.46
Growth	1.00
Sensitivity	3.64



State Insight - California

Why is California such a popular site for renewable energy operators? California's Energy Commission develops and mandates different programs that use renewable power, and provides incentives and grants for operators looking to address climate change.

Additionally, the Clean Energy and Pollution Reduction Act (Senate Bill 350), lays out the goal of reducing greenhouse gas emissions to 40.0% below 1990 levels by 2030 and 80.0% of 1990 levels by 2050. This bill further incentivizes California to become the first state to achieve net-zero emissions. These green initiatives by the federal and state governments are likely one reason that California is home to more than 13.0% of all solar power establishments across the country and nearly 10.0% of wind power establishments.



3 Forklift & Conveyor Manufacturing in the US

Top Locations # Establishments

1. Michigan	117
2. Ohio	117
3. California	103

National risk score
3.20 | Low

Risk Components

Structure	5.67
Growth	3.99
Sensitivity	1.57



State Insight - Ohio

Forklifts and conveyors are necessary in most manufacturing industries, making Ohio a popular site for forklift and conveyor manufacturers due to its high concentration of different manufacturing facilities. Ohio is also a popular construction hub, which encourages forklift and conveyor manufacturers to open establishments to be closer to their downstream buyers. One of the largest industries in Ohio is the Automobile Engine & Parts Manufacturing industry, which requires plenty of forklifts and conveyors to optimize their production processes.



4 Ocean & Coastal Transportation in the US

Top Locations # Establishments

1. Florida	277
2. Alaska	108
3. New York	88

National risk score
3.34 | Low

Risk Components

Structure	6.11
Growth	1.00
Sensitivity	3.12



5 Water Supply & Irrigation Systems in the US

Top Locations # Establishments

1. Texas	8,317
2. California	6,084
3. Mississippi	4,130

National risk score
3.38 | Low

Risk Components

Structure	3.32
Growth	5.22
Sensitivity	2.49



6 Professional Employer Organizations in the US

Top Locations # Establishments

1. Florida	581
2. Texas	394
3. California	375

National risk score
3.45 | Low

Risk Components

Structure	4.77
Growth	2.60
Sensitivity	3.21



State Insight - Florida

Florida is a popular destination for professional employment organizations. With the heightened popularity of remote jobs after the peak of the pandemic, many workers are taking advantage of flexible schedules and opportunities to work from anywhere. As a result, some of the most popular destinations for people are places with warm weather and natural beauty. Unsurprisingly, Florida – The Sunshine State – is a common choice for remote workers.

In a LinkedIn report covering remote job trends across large metro areas, Florida cities account for more than half of the top 10 destinations for hopeful remote workers. The volume of applications is highest from residents of Cape Coral, with Tampa, Jacksonville and Orlando not far behind.

In addition, professional employment organizations are popular in Florida, as it does not have an individual state income tax. This allows individuals to earn more and incentivizes them to live in Florida.

Of its more than 20 million residents, Florida employs roughly 12.5 million non-farm workers, putting them in third place behind California and Texas. With such a high population of workers, it makes sense for professional employment organizations to set up shop in sunny Florida.



7 Commercial Banking in the US

Top Locations # Establishments

1. California	6,673
2. Texas	5,892
3. Florida	4,544

National risk score
3.45 | Low

Risk Components

Structure	5.19
Growth	1.85
Sensitivity	3.38



8 International Airlines in the US

Top Locations # Establishments

1. California	76
2. Florida	55
3. New York	49

National risk score
3.45 | Low

Risk Components

Structure	5.59
Growth	1.00
Sensitivity	3.60



9 Mineral & Phosphate Mining in the US

Top Locations # Establishments

1. Utah	19
2. Florida	16
3. California	15

National risk score
3.49 | Low

Risk Components

Structure	4.88
Growth	3.67
Sensitivity	2.71



10 Community Colleges in the US

Top Locations # Establishments

1. California	196
2. Florida	88
3. New York	75

National risk score
3.50 | Low

Risk Components

Structure	2.13
Growth	5.85
Sensitivity	3.92



More About the Data

To give you the best insight around low-risk industries and locations, we combined scores from our [Risk Ratings Reports](#) with data and analysis from our [State Industry collection](#).

Risk Ratings reports score industries at the national level, while the State Industry collection offers state-by-state details on establishments, employment, wages and revenue growth. We even get down to the county level, highlighting these same details for local economies across the state.

Dig into risk further with a State Industry subscription. Each report offers rankings and data on business risks across the state, including **fiscal instability**, the **threat of natural disasters** and other factors not covered in this Special Report. [Contact us](#) or learn more on our website!

