



Metropolitan Milwaukee

ECONOMIC DEVELOPMENT

Securing Our Region's Future Now.

Kenosha, Milwaukee, Ozaukee, Racine, Walworth, Washington, and Waukesha counties

Dear Community Stakeholder:

The pace and complexity of change and global competition facing businesses today puts a premium on regions that can deliver distinct advantages for companies, talent and investment.

The need for the Milwaukee region to compete at this level is unprecedented. It is imperative that we capitalize on our region's assets and create a scaled campaign equal to the challenge. Now is the time to think and act as a region.

We have developed an aggressive campaign to secure our region's future now. Outlined in this document are the focused strategies aimed at the retention, expansion, creation and attraction of companies creating high-value jobs. This \$12 million, 5-year campaign combines the strengths and resources of existing economic development efforts and coordinates them with this new, focused funding.

We believe metropolitan Milwaukee has the right stuff to compete in the global economy with a world-class business environment. The region has a gross metropolitan product of over \$63 billion, comparable to the economies of New Zealand, Hungary, and Peru.

- Our region of 1.96 million residents employs more than 1 million people in 46,000 business establishments.
- More than 10,000 students graduate from our college institutions annually.
- We rank fifth in the nation for number of performing arts groups per capita.
- Employers of all sizes, including 8 Fortune 500 headquartered companies, export more than \$5 billion in goods and services annually.

From our inner city to our suburban edges, we know the Milwaukee region can be a place of choice for employers and citizens seeking to gain greater prosperity. We have formed this unique partnership to capitalize on our strengths, leverage our resources and respond to our challenges.

We invite you to join us in securing the region's future now.



Hon. Tom Barrett
Mayor
City of Milwaukee



Dennis Kuester
Chairman
MMAC



Steve Smith
Chairman
GMC

The Challenge

The new reality is that competition for jobs, companies, quality of life, talent and investment exists today at the regional level within the U.S. and across the globe. Businesses and people are attracted to a region that provides the best environment for their needs.

Our region, as compared to 15 of its peer city-regions, has fallen short in several critical economic measures over the past three decades. By population, no other top city market has fallen farther since 1970 — from 24th largest to 43rd in 2000. Attracting and retaining jobs and talent are mutually dependent, and our region faces some daunting demographics. Our impending workforce shortage is fueled by a disproportionate share of older residents, a lower proportion of foreign-born citizens and a larger out-migration of college graduates. For every 100 college graduates who leave the state, Wisconsin gets back just 76. In a recent study, 99 metro area employers representing 208,000 employees said they will need 25,000 new employees by 2008.

On the other hand, the region has maintained some key assets. We are well-recognized around the world for the global brands of our Fortune 500 companies — 8 within the seven-county region. We are a thriving cultural arts community with 102 performing groups, and we have an abundance of sports and entertainment options. These amenities add to the rich quality of life in our region and are key attractions for businesses and talent.

As the global economy continues to grow, the rewards of that growth will not be shared equally by all regions. Companies, talent and investment will migrate to those regions that turn disruptive shifts to their advantage, and to those that think and act as cohesive, strong regions.

The Response:

A 5-year, \$12 million economic development campaign that brings together the region under a unified strategy to support and maintain economic growth. The region includes Kenosha, Milwaukee, Ozaukee, Racine, Walworth, Washington and Waukesha counties.

Mission:

To strengthen the economy of our region by attracting, retaining and growing companies and diverse talent.

Introduction:

Over the past year we have benchmarked more than 20 metropolitan areas and visited 3 similar regions to consider how our region can most effectively address its economic development challenges. Our conclusion is that economic development strategies funded by multi-year, multi-million dollar campaigns are now becoming standard in regions across the United States and throughout the world.

These regional efforts follow the research that shows that up to 80% of any community job growth is generated by the businesses already located there (The Job Generation Process by David Birch, president, Cognetics). Over 70% of new jobs created in Ohio throughout the 1990s were generated by existing firms; and even in South Carolina, a state known for business attraction, over 70% of job growth and new investment dollars during the 1990s were generated from firms expanding within the state (Executive Pulse 2005). However, while business retention and expansion are the primary drivers in determining a region's economic health, attraction and business creation efforts also play a prominent role.

While almost every campaign we studied was built around retention and expansion with close to 85-90% being spent in those areas, it was clear that those with better established economic development programs were directing a growing number of resources to their attraction efforts and reaching out on an international scale.

Meanwhile, the effort to attract and retain talent has been confirmed as a parallel challenge in metropolitan areas across the country. Initiatives to make regions more attractive to young, diverse talent are under way in places ranging from Ames, Iowa to Norfolk, Virginia. Strategically, metro Milwaukee was at the forefront of this issue, having formed Young Professionals of Milwaukee in 2001. This group, now nearly 4,000 strong, connects and involves YPs throughout the community. A similar organization, Young Professionals of Racine, serves more than 800 members.

Research efforts, along with a self examination of the region's strengths and weaknesses, led us to recognize that the key driver of the region's growth will be the retention, development and attraction of businesses that create new regional income and capital investment, resulting in the creation of sustainable high quality jobs. If we cultivate and strengthen new regional income producers, then the growing economic pie will enhance business and in turn, help retain and attract talent.

The goal is to build an economic development campaign using existing entities and infrastructure, while filling in the gaps and adding new capacity as efficiently as possible. We will do this on a regional basis, by launching key initiatives as the foundation of retaining, growing and attracting business and diverse talent.

The Regional Campaign for Economic Development

In order to impact the pace and quality of economic development in the region, we must have both a strategy for creating a more vibrant business climate as well as dynamic new strategies to facilitate the growth of new regional income. The following business plan outlines the strategies we will engage to support economic growth and identifies key objectives that will measure our progress. Ultimately, we believe this sustained effort will result in an improved set of economic measures of the region's prosperity.

A REGIONAL IDENTITY

A regional identity is a key step in setting this economic development campaign into action. In May 2005, 36 influencers from 6 counties representing more than 15 various industries, participated in RegionQuest. This pivotal two-day work session hosted by the GMC, MMAC and the Mayor of Milwaukee catapulted our region ahead in our identity quest. A unified regional identity will promote Milwaukee and its surrounding communities as one face to the world and ourselves, free from the borders of geography and politics.

2005-2006 Objectives

1. Assemble a team of regional leaders to develop and implement guerrilla marketing initiatives aimed at increasing the visibility of the region.
2. Develop an intra-regional identity campaign.
3. Conduct a follow-up study on the 2002 benchmark research on local and national perceptions of Milwaukee and conduct additional research on perceptions of the region.

RETAIN

REGIONAL BUSINESS RETENTION

We must get to know our best customers, and know them well — those companies that export a majority of their goods and services outside the region, generating new income for our economy. We must be able to answer the questions: Who are they? What industry cluster do they represent? What challenges and opportunities does the region possess as a base from which to do business? By building strong relationships with our best customers, we can anticipate and respond to critical issues.

BUSINESS CALL PROGRAM

Through ongoing, professionally-conducted outreach interviews, we will identify problems, pursue expansion opportunities and build positive relationships with business owners and economic development professionals throughout the region. As we aggregate data, analysis of these communications will lead to more proactive, productive actions that help to ensure companies based in our region are world-class competitors.

2005-2006 Objectives

1. Establish the program and, utilizing corporate volunteers, call on at least 100 manufacturers in the City of Milwaukee.
2. Purchase and implement call program software.
3. Hire and train staff to launch program on a regional basis.
4. Identify and execute 200 additional corporate calls.
5. Produce summary report on the aggregate findings of these interviews, identifying trends.
6. Respond to specific company needs/issues.

REGIONAL TALENT RETENTION

As discussed above, our region has strong initiatives in place to retain young professionals through Young Professionals of Milwaukee and Young Professionals of Racine. Efforts are ongoing to establish strategies with IDEAL (the Institute for Diversity, Education and Leadership) to ensure the retention of diverse talent. It should be noted that capturing strong talent serves the mission of attracting and retaining businesses. The two are inextricably linked.

2005-2006 Objectives

1. Support YPM's 3,800 members and YPR's 800 members with ongoing programs aimed at connecting and involving YPs in our region.
2. Promote the online posting of Emerging Leader Service Opportunities (ELSO) presented to YPM and YPR by area non-profits.

GROW

CENTRAL CITY BUSINESS

Expansion of existing businesses and the fostering of entrepreneurship are hallmarks of regions that are growing their economies and ensuring their futures. Our region will only move forward if it is growing its central business districts. The Initiative for a Competitive Milwaukee (ICM), supported by the Greater Milwaukee Committee, will provide some additional staff resources for the call program to reach out to central city employers to identify companies with growth capacity, and to identify barriers and opportunities.

2005-2006 Objectives

1. Link the Initiative for a Competitive Milwaukee more closely to inner city business development.
2. Conduct calls on 100 central city businesses.
3. Connect the region's central cities of Milwaukee and Racine to regional business attraction efforts.

MINORITY BUSINESS

The Minority Supplier Module, operated by The Business Council, matches minority suppliers with large companies in the region to generate new business and a broader pool of qualified minority vendors.

2005-2006 Objective

1. Support strategic alliances formed through the Supplier Diversity Module to link majority and minority business enterprises and reach the goal of \$6 million in new business with the minority firms in 2006.

BUSINESS STARTS AND TECHNOLOGY TRANSFER

Innovation is a cornerstone in the foundation of the region's future. To compete globally, the Milwaukee region must identify new technologies and ideas with commercial value and facilitate investment in new ventures. Through TechStar, CATI (the Center for Advanced Technology and Innovation), and the Biomedical Technology Alliance, we can stimulate entrepreneurship and fund new companies. And we must collaborate with our local research universities, like UW-Milwaukee, UW-Parkside, Marquette, MSOE and the Medical College of Wisconsin, to increase the amount of funded research for technology transfer, business starts and patents.

2005-2006 Objectives

1. Review status and develop business plan dedicated to ongoing technology transfer (TechStar).
2. Significantly increase university-funded research.
3. Build on \$500,000 state appropriation for inter-disciplinary research grants to achieve full \$2.5 million in state funding for the Biotechnology Alliance. This group is a formal alliance among area universities and companies to foster collaborative research in biotechnology. Through this alliance, we can leverage federal funding for additional spin-offs.
4. Expand the private industry tech transfer model of CATI to a regional initiative through the proposed partnership with the Milwaukee County Research Park and Waukesha County Economic Development Corporation.
5. Produce a white paper on the infrastructure needed for full participation of our region in the New Economy.

ATTRACT & EXPAND

REGIONAL BUSINESS ATTRACTION

Efforts to attract companies are often reactive, not proactive, and there are few protocols in place to disseminate leads throughout the region. Site selectors or company executives interested in relocating their company to the Milwaukee region currently find it a major challenge to maneuver through the maze of information that exists in multiple locations. Our goal is to streamline the processes, centralize information and set necessary protocols in place.

BUSINESS ATTRACTION & EXPANSION WEBSITE

A team of regional economic development and marketing representatives will map and create a website loaded with the information and contacts needed to make this a one-stop shop for corporate decision-makers and site selectors.

BUSINESS ATTRACTION & EXPANSION RESOURCE CENTER

The website will provide the foundation of data that will be used to create a resource center for businesses looking to expand or relocate. If the website is the front door, the Resource Center will serve as the living room. It will be a physical place to direct prospective customers. Modeled after the Georgia Alliance Resource Center in Atlanta, this center will use an interactive database and multimedia technology to allow corporate decision-makers to explore buildings, sites and location factors from a single setting.

ATTRACTION TEAM

A team of regional business leaders will be dedicated to identifying key prospects for expansion and attraction to the Milwaukee region, utilizing research and marketing expertise to sell this region as a place to invest.

2005-2006 Objectives

1. Launch website.
2. Collect, analyze and develop data for business recruitment proposals.
3. Develop marketing strategies for industry cluster targets.
4. Create a resource team of CEOs to make key contacts.
5. Market the region, nationally and internationally.

2006-2007 Objective

1. Create a Regional Resource Center as a hub for business expansion and attraction.

REGIONAL TALENT ATTRACTION

Metro Milwaukee's workforce is becoming more ethnically, gender and age diverse. It is estimated that by the year 2020, twice as many individuals will leave the workforce as will enter it. The need to attract and retain young, diverse talent is an objective of almost every major metro area in the nation.

Our region has been a leader in talent attraction and retention, creating what has been dubbed the largest and most effective young professionals network in the country. Young Professionals of Milwaukee (YPM), together with Young Professionals of Racine (YPR), enables this demographic to actively engage in their communities and have a voice at the table. In addition, IDEAL — the Institute for Diversity Education and Leadership — is working in conjunction with YPM to ensure that we are a region of choice for diverse talent.

2005-2006 Objectives

1. Conduct research to determine the number of employees, experience and skill levels needed by local employers in the next three years and measure how our region compares in seven indices that young professionals use when evaluating a community (the Recruit-ability Index).
2. Explore launching the "City of Interns" project, designed to encourage employers to utilize internships more fully as a recruitment strategy.
3. Create Milwaukee Fuel: an online self-organizing network for YPs interested in addressing issues facing the region.

Roles & Responsibilities

REGIONAL ECONOMIC DEVELOPMENT ADVISORY COUNCIL

The Regional Advisory Council provides strategic direction and regional representation for the economic development campaign.

- The leadership group consists of business, economic development, government and community leaders from throughout the seven-county region.
- The council will be co-chaired by the Mayor of Milwaukee, and the chairs of the MMAC and GMC.
- The group will meet quarterly to develop and evaluate intra-regional protocols and objectives.

EXECUTIVE PARTNERS

- This group will oversee the \$5 million fund-raising campaign and budgeting strategies.
- They will provide oversight for the strategic initiatives.
- Working with staff, this group will set the agenda for the Advisory Council meetings.

Staffing Organizations

Building on the work and strengths of many local economic development organizations throughout the region, such as those in Racine and Waukesha, and the Regional Economic Partners group, this campaign will be staffed and coordinated by the following regional entities:

The Greater Milwaukee Committee (GMC) is a private sector civic organization whose mission is to contribute to the cultural and economic base of the Milwaukee Metropolitan area. The organization was formed in the late 1940s and is comprised of leaders in business, the professions, labor, education and philanthropy, and nonprofit community development.

Metropolitan Milwaukee Association of Commerce (MMAC) is a 144-year-old private, not-for profit organization representing 2,000 member businesses. Its mission is to improve metro Milwaukee as a place to create jobs, invest capital and grow business.

Milwaukee Development Corporation (MDC), formerly the Milwaukee Redevelopment Corporation, promotes economic development through catalytic real estate developments and regional business retention, expansion and attraction.

The Spirit of Milwaukee was developed to cultivate a better understanding of the "new Milwaukee" for local residents, potential visitors, students and businesses considering Milwaukee. The mission of Spirit is to improve the perception of Milwaukee and its overall image in the metropolitan area, as well as nationally and internationally. Spirit serves all citizens and is not bound by specific geographic boundaries.

We Energies serves more than 1.1 million electric customers in Wisconsin and Michigan's Upper Peninsula and more than one million natural gas customers in Wisconsin. The company is dedicated to supporting economic development throughout our region and will provide key staffing for the business attraction and expansion resource center.

Regional Economic Development Advisory Council

Current as of September 12, 2005

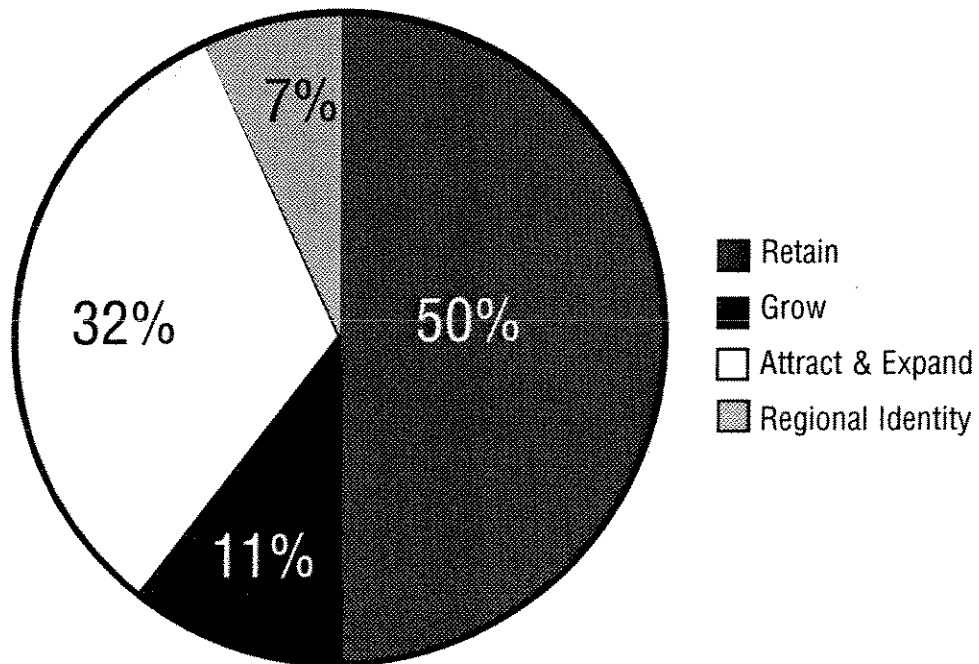
Counties	Elected Official(s)	Business Leaders	Total
Kenosha	1 County Executive Al Kehl	2 Mark Jaeger, Jockey International TBA	3
Milwaukee	2 County Executive Scott Walker TBA	2 Ed Zore, Northwestern Mutual Gale Klappa, We Energies	4
Ozaukee	1 County Board Vice Chair Mark Cronce	1 Carol Schneider, SEEK, Inc.	2
Racine	1 County Executive Bill McReynolds	2 Dave Rayburn, Modine David Lynch, Lynch Automotive	3
Walworth	1 County Board Supervisor Jerry Waelti	1 Dr. Robert Spitzer, MSOE, retired	2
Washington*	1 County Board Chair Ken Miller	1 John Torinus, Serigraph	2
Waukesha	1 TBA	2 Suzanne Kelley, GE Healthcare TBA	3
At Large	3 Alderman Willie Hines Mary Burke, WI Sec. of Commerce Mayor Tom Barrett	9 Steve Smith, Journal Comm./GMC Dennis Kuester, M&I Bank/MMAC Mike Grebe, Bradley Foundation Cory Nettles, Quarles & Brady Mary Ellen Stanek, Robert W. Baird Carlos Santiago, UW-Milwaukee Michael Bolger, Medical College Phil Neuenfeldt, WI AFL-CIO Paul LaSchiazza, SBC Wisconsin	12

* County Leader - either elected official or business leader

Economic Development Budget

Five-Year Total Budget (overhead pro-rated) grouped by key expenditures:*

Retain	\$ 6,121,257
Business Call Program	
Talent Retention	
Grow	\$ 1,311,714
Central City Business	
Minority Business	
Business Start-ups/Technology Transfer	
Attract & Expand	\$ 3,989,092
Business Attraction & Expansion Website	
Business Attraction & Expansion Resource Center	
Attraction Team	
Talent Attraction	
Regional Identity	\$ 868,582
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Total	\$12,290,645



** Includes current expenditures and new initiatives directed at retaining, attracting and growing companies and talent.*

Regional Economic Development Campaign
Founding Contributors Current as of September 12, 2005

The following entities have contributed or pledged a minimum of \$100,000:

Private Sector

Robert W. Baird
The Bradley Foundation
Journal Communications
Northwestern Mutual
M&I Marshall & Ilsley Bank
SBC Wisconsin
We Energies

Public Sector

City of Milwaukee
Kenosha/Milwaukee/Racine/Waukesha Counties

Metropolitan Milwaukee
ECONOMIC DEVELOPMENT
Securing the Region's Future Now.

Letter of Intent

Recognizing the vital need for regional economic development, it is my/our intent to make an investment of \$ _____ to the Regional Economic Development Campaign.

Enclosed is my/our first-year investment of \$ _____

We agree to pledge \$ _____ per year over the next five years.

Investor Signature _____ Date _____
Donor Name _____
Company Name _____
Address _____
City _____ State/Zip _____
Phone _____ Email _____

Contributions from foundations are tax deductible and should be made payable to the Milwaukee Development Corporation. All other contributions may be deductible as a business expense and should be made payable to the Metropolitan Milwaukee Association of Commerce.

Questions? Contact **MARY ELLEN POWERS** at (414) 287.4100 or epowers@mmac.org
