

ADVANCING THE NEXT WASHINGTON

CTED's International Trade and Economic Development Strategy

Overview

Governor Chris Gregoire's economic development strategy, *The Next Washington*, emphasizes the importance of developing an environment for growing the companies of tomorrow and achieving success in the global marketplace. The Department of Community, Trade and Economic Development's (CTED) work, along with our community partners, is integral to accomplishing her strategic goals.

Heavily influenced by the work of her Global Competitiveness Council, the Governor's *Next Washington* directs us to:

- **Create regional offices to provide customers with better access to the state's resources;**
- **Rebuild the collaborative and strategic partnerships of Team Washington;**
- **Strengthen tourism competitiveness through partnerships;**
- **Align policy and programs of economic development and workforce development organizations;**
- **Promote Innovation Partnership Zones;**

CTED's International Trade and Economic Development strategy refocuses our efforts on emphasizing regional collaborations in developing CTED's business recruitment, retention, and expansion strategies.

The *Next Washington* strategy identifies the need for CTED to "move resources from state offices in Olympia to regional partnerships around the state." By expanding our regional presence, we more closely tie state resources to local economic development priorities assimilated at the regional level.

The fundamental shift in how we do business puts our focus on better serving the needs of Washington communities, with ITED regional representatives serving as advocates for requests from those regions for state support and funding. CTED's strategy is to leverage regional planning and local competitive advantages to grow the state's economy and to be globally competitive. This includes assisting our companies in accessing new markets and expanding overseas so that Washington will continue to be recognized for its world class industries.

Customer service is a central priority, along with creating jobs and economic activity. This means knowing our customers, identifying their needs, and working together to address those needs. *The*

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Next Washington gives us all a framework for pursuing jobs and investment in Washington, as we build an even stronger economy for present and future generations.

The watchword of our strategy for success is “partnership”, which allows us to come together under more proactive collaborations in pursuit of our common goals. Therefore, we have made changes at CTED that will allow us to better serve our customers.

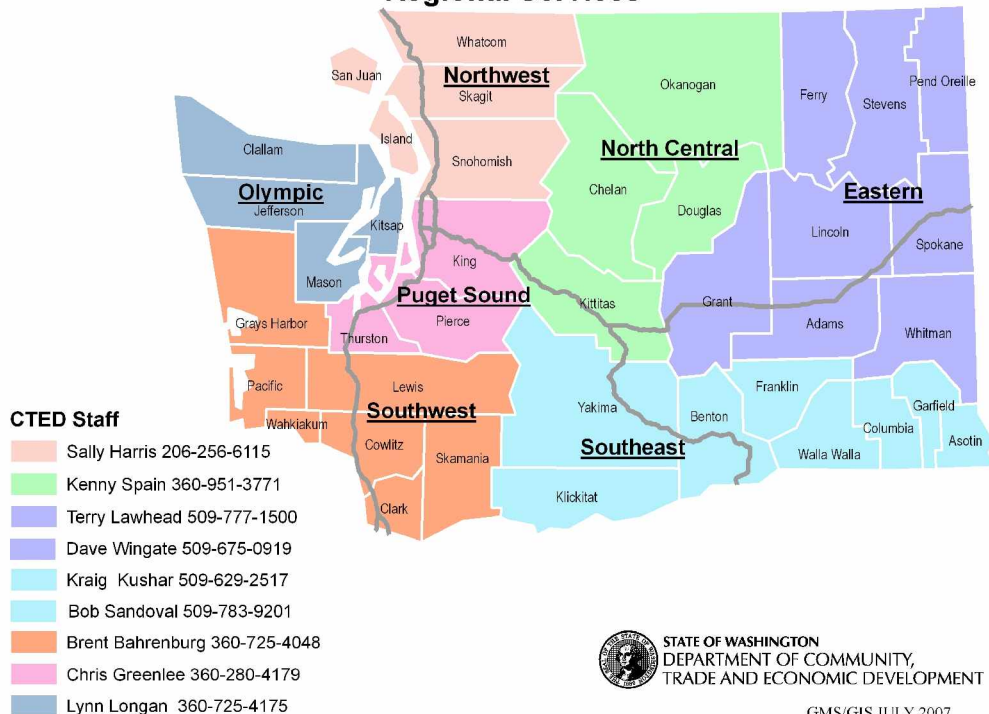
Our revitalized efforts through *The Next Washington* are geared toward getting us closer to the customer and more in sync with our customers’ needs. This then, allows us to move, in concert, to promote our businesses, strengthen local economies, expand opportunities for our workers and reassert ourselves in the global marketplace.

Moving Resources to Regions

International Trade and Economic Development services have been realigned to better support local economic development priorities. An expanded Regional Services team of technical and finance staff will be located in seven regional offices by November 2007. Based on ITED’s current resources, we have, or soon will be deploying staff in the following regions:

- **Eastern** (Stevens, Ferry, Pend Oreille, Spokane, Whitman, Lincoln, Adams, Grant)
- **Southeast** (Asotin, Columbia, Garfield, Walla Walla, Benton, Franklin, Yakima, Klickitat)
- **North Central** (Kittitas, Chelan, Douglas, Okanogan)
- **Northwest** (Whatcom, Skagit, Snohomish, Island, San Juan)
- **Puget Sound** (King, Pierce, Thurston)
- **Olympic** (Mason, Kitsap, Jefferson, Clallam)
- **Southwest** (Grays Harbor, Pacific, Wahkiakum, Lewis, Cowlitz, Clark, Skamania)

International Trade and Economic Development Regional Services



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Communities rate financial and technical services as two of the most significant contributions CTED provides. Regional Managers, working on site, will be able to provide better and more efficient technical and financial assistance to local partner organizations in the areas of business and infrastructure financing. They will be advocates for local projects and conduits to additional resources through our Seattle and Olympia office such as:

- Recruitment case management
- Marketing communications
- Economic development training
- Leadership capacity building
- Contract management services

Being more in touch with our local partners will also allow Washington to continue to benefit from its international trade activities more than any other state in the country. With one out of every three jobs in Washington State tied to international trade, our local partners are in tune with the industries of the future. Whether in aerospace, computer software, biotechnology, telecommunications or many other high tech sectors, state and local partnerships will drive an innovative entrepreneurial culture. The collaborative relationship will increase the number of Washington companies prepared for the global marketplace and expand statewide outreach.

This is being achieved by:

- Providing export training on a statewide basis, aimed at small companies and Small Business Development Center (SBDC) counselors.
- Frequent statewide travel by CTED's international trade program managers to meet with clients, new exporters, stakeholders and local partners, coordinated with CTED regional offices.
- Coordination with ITA Spokane and SBDC's counselors statewide for providing export assistance to all interested Washington companies.

Reinvigorating Team Washington

A guiding principle in the implementation of *Next Washington* is collaboration, and we're reaching back more than 20 years to dust off an approach that works.

Team Washington emerged during the deep economic recession of the early 1980s to create state-local, public-private partnerships. The cooperative partnership focused our collective efforts on building local economic development capacity and creating new employment opportunities in an environment of double-digit unemployment.

Although the economic forces driving the *Next Washington* stand in sharp contrast to conditions of the 1980s, the foundation of Team Washington – collaboration – is as strong an imperative today. Team Washington complements and formalizes the strategy of moving resources into regions so that effective partnerships will take place that lead to successful communities. CTED will join with other state agencies, ADOs, Workforce Development Councils, and many other organizations and individuals to reconstitute partnerships rather than competition.

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Our implementation plan proposes these joint actions:

- Execute memoranda of understanding (MOUs) among state agencies, education institutions, statewide boards and commissions, and associations to jointly focus resources and assistance to meet regional economic needs and opportunities.
- Collaborate with ADO's, ports and other partners to develop and implement domestic business recruitment and foreign direct investment attraction, including targeted missions to key geographic markets, and joint marketing and investment programs based on local and regional economic development priorities.
- Join with local and state partners to redouble our efforts to retain and grow existing businesses. Activities will include state-local calls on key employers statewide; communications to inform all businesses about the resources and benefits available to them in Washington; research to improve our understanding of changes within industries; and surveys to stay current with business needs and opportunities.
- Design and deliver additional professional development seminars and conferences for economic and workforce development practitioners and volunteers. Sessions will focus on state of the art tools, economic development trends and strategies and effective ways to work as a team.
- Engage partners such as Prosperity Partnership's working group on strategies for foreign direct investment.

It is our hope and expectation, that these new state/local teams will provide powerful vehicles for economic development. Moreover, we hope to enlist a new generation of partners into the Team Washington concept to keep the momentum for economic development strong for years to come.

Strengthening Tourism Competitiveness

Washington's tourism industry reaches across state regions, touching every community in Washington. International and domestic tourists alike come to Washington to experience our natural beauty, our vibrant urban settings and our diverse cultures. Tourism is a key tool in Governor Gregoire's *Next Washington* economic strategy for the state. She recognizes that tourism is economic development and vital to a strong state economy. To that end, Governor Gregoire initiated and supported new legislation, which lays out a dramatically new direction for the governance and funding of tourism development in our state.

Governor Gregoire has formed a 19-member Tourism Commission to develop tourism marketing strategies for the state, and to coordinate a program with input and investment from public and private tourism development organizations around the state. With an overall increase in funding for tourism of \$7.8 million over the next biennium, nearly doubling the tourism office's budget, Washington State will be solidly in the middle of the pack of our 13 Western neighbors and nationally in competitive spending. *Next Washington* calls for the Commission to:

- Renew and deepen connections between industry leaders and state agencies
- Increase private spending, as well as greater private participation and investment
- Leverage Pacific Northwest regional relationships, including working with British Columbia to maximize 2010 Olympics in Vancouver, B.C.
- Promote our unique cultures, geography, agriculture and natural environment through new areas such as eco- and geo-tourism, and wine and culinary tourism

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The goal is to bring larger number of visitors to the state, to encourage economic growth and strengthen economic impact of tourism throughout the state, and to attract new business with our quality of life message.

Tourism is a key vehicle for “getting the word out about *Washington*”. The renewed energy we apply to tourism development with our partners will help bring in travel dollars from all over the world, will invigorate our tourism-dependent businesses, and will reinforce our ability to deliver the Washington message to potential investors.

Coordinating Workforce and Economic Development Initiatives

Workforce is a challenge for every state, and Washington has recognized the importance of coordinating workforce initiatives with economic development goals. In practical terms, this means insuring that workforce initiatives are responsive to real industry needs. Globally, it means viewing workforce development in a demand-driven environment. The Economic Development Commission and Workforce Board are expected to take the lead on aligning our practitioners around common goals in order to address workforce challenges. CTED will:

- Work with local community and technical colleges on select projects
- Provide staff to assess applications for Centers of Excellence
- Coordinate grant applications with Workforce Development Councils
- Engage in problem solving with the State Board for Community and Technical Colleges, the Workforce Board, and the Higher Education Coordinating Council
- Continue and sustain cross-memberships on boards
- Include workforce development staff in CTED project work in the field
- Schedule more joint breakouts with the workforce partners at conferences
- Develop a resource team approach to workforce development
- Partner in creating The Skills for Next Washington, a policy framework for collaboration, using industry clusters (HB 1091) as its primary organizing principle

The key to maintaining workforce development and economic development programs that are in sync with each other is to enhance communication and collaboration. The state and local partners should continue to embrace opportunities to bring key players together. In this way, we hope to encourage dialogue that contributes to Washington’s ability to match workers to jobs and jobs to workers. Economic development officials and workforce development officials share the same goals: to insure that Washington firms can attract and retain quality workers, and to prepare Washington workers for quality jobs..

Promoting Innovation Partnership Zones

Innovation is very important to the economy in Washington. An Innovation Partnership Zones initiative, first proposed by the Governor’s Global Competitiveness Council as another means of seeding development of our intellectual capital, was developed through planning grants to local areas during the summer of 2006 and promoted in Governor Gregoire’s *Next Washington* strategy for economic development.

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The Innovation Partnership Zones program was unanimously adopted in the 2007 legislative session. Based upon the success of research and science parks, the state is will provide competitive grants to local areas where powerful research, innovation and economic activity are concentrated and driving the local economy.

Innovation Partnership Zones are defined as geographic areas that demonstrate (or show substantial planning toward):

- Commercially valuable research capacity (i.e., college, national lab)
- Globally-competitive firms in a research-based industry
- Education/training capacity

Innovation Partnership Zones build upon Washington's leadership in cluster strategy and research-based innovation. By identifying areas with unique characteristics associated with leadership in innovation and economic change, state resources, particularly intellectual capacity, can be focused on promoting the next generation of products and services. By encouraging similar private companies to locate in densely concentrated groups, communities of knowledge and innovation can flourish.

CTED is tasked with designating Innovation Partnership Zones by October 1st of each year. Once the Innovation Zones are established, they will capitalize and expand upon clusters of technologically advanced companies, serving as a catalyst to local/regional growth, and further enhancing this vital state resource. The program illustrates the potential power of the State's regionally based and partnership-dependent approach to fostering economic development.

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International Trade and Economic Development Services

Services have been realigned to support regional managers and regional priorities.

<p>Regional Services</p> <p><i>Collaborates with regional and local partners on business recruitment, retention and expansion with special focus on target clusters; provides financial and technical assistance; and coordinates with the CTED's Statewide Services and Grants & Loans groups.</i></p> <p>Contact: Dick Larman, 360.725.4057</p>	<p>Regional Managers (All Regional Offices to Open by November 2007)</p> <ul style="list-style-type: none"> • Eastern – Terry Lawhead, 509.777.1500 (Spokane); David Wingate, 509.738.2324 • Southeast – Kraig Kushar, 509.629.2517; Bob Sandoval, 509.783.9201 • North Central – Kenny Spain, 360.725.4044 • Northwest – Sally Harris, 206.256.6115 • Puget Sound – Chris Greenlee, 360.725.4040 • Olympic – Lynn Longan, 360.725.4175 • Southwest – Brent Bahrenburg, 360.725.4048
<p>Statewide Services</p> <p><i>Improving customer services with statewide program support and case management</i></p> <p>Contact: Bill Stewart, 360.725.4037</p>	<p>Programs and Contacts</p> <ul style="list-style-type: none"> • Brownfields Redevelopment Loan Fund - Sharon Kophs, 360.725.4032 • MainStreet – Susan Kempf, 360.725.4056 • Film and Video – Suzy Kellett, 206.256.6146 • Child Care Facilities Fund – Tom Stilz, 360.725.4045 • Business Recruitment – Susan St. Germain, 206.256.6114 • Business Sustainability – Ken Olson, 509.944-0365
<p>Grants & Loans Service</p> <p><i>Delivers state and federal financial resources to improve physical infrastructure, stimulate private investment, and expand local organizational capacity.</i></p> <p>Contact: Jim Keogh, 360.725.4041</p>	<p>Programs and Contacts</p> <ul style="list-style-type: none"> • CERB – Kate Rothschild, 360.725.4058 • ADO/Targeted Programs – Phyllis Cole, 360.725.4051 • JDF, LIFT Program – Matt Ojennus, 360.725.4047 • Business Loan Portfolio - Steve Saylor, 360.725.4048
<p>Tourism</p> <p><i>Markets the state as a travel destination in order to increase visitor revenues year-round throughout the state</i></p> <p>Contact: Marsha Massey, 360.725.4172</p>	<p>Programs and Contacts</p> <ul style="list-style-type: none"> • Marketing / Advertising / Research– Betsy Gabel, 360.725.4180 • Tourism Development / Training – Michelle Campbell, 360.725.4181 • Tourism Website and Call Center – Cheryl Rasch, 360.725.4183 • Travel Trade Sales / Marketing – TBA • 2010 Tourism Opportunities / PR - TBA

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<p>International Trade</p> <p><i>Strengthen and diversify state's economy by promoting the expansion of international business into target markets via missions and foreign representatives, providing export assistance, and increasing foreign investment in Washington.</i></p> <p>Contact: Mark Calhoon, 206.256.6137</p>	<p>Programs and Contacts</p> <ul style="list-style-type: none">• Medical Equipment & Devices – June Chino, 206.256.6144• Industrial Machinery, Equipment and Supplies – Andrew Crowder, 206.256.6140• Information & Communication Technology – Karl da Gama Campos, 206.256.6142• Education Program – Cheryl Hansen, 206.256.6135• Aerospace & Marine Industries – Bill King, 206.256.6128• Building Materials & Wood Products – Larry Kvidera, 206.256.6145
<p>Education and Outreach</p> <p><i>Positions Washington competitively in the national and global marketplace, as well as offers capacity building and specialized training to communities</i></p> <p>Contact: Maury Forman, 206. 256.6110</p>	<p>Programs and Contacts</p> <ul style="list-style-type: none">• Economic Development Training & Seminars – Linda Alongi, 360.725.4031• Communications – Susan Webb, 360-725.4054• Marketing – George Sharp, 360.725.4174• ChooseWashington.com – Joan Stilz, 360.725.4173• Data Management – Tuan Hoang, 360.725.4062

For more information about our Next Washington implementation plans, please feel free to contact:

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