



Prepared by:  
**Iryna Lendel, Ph.D.**  
**Luz Haack**

**Regional Science  
and Innovation  
Policies:**

**Five Case  
Studies**

**CENTER FOR ECONOMIC  
DEVELOPMENT**

2121 Euclid Avenue Cleveland, Ohio 44115  
**[HTTP://URBAN.CSUOHIO.EDU](http://urban.csuohio.edu)**



# **Regional Science and Innovation Policies: Five Case Studies**

Prepared by:  
**Iryna Lendel, Ph.D.**  
**Luz Haack**

The Center for Economic Development  
Maxine Goodman Levine College of Urban Affairs  
Cleveland State University

June 2010

*Partially Funded by the Economic Development Administration, U.S. Department of Commerce*



## **ACKNOWLEDGEMENTS**

This report was prepared by Dr. Iryna Lendel, a program manager in the Center for Economic Development at Cleveland State University, and Luz Haack, a Center research assistant and doctoral student in the College of Urban Affairs. The authors express their appreciation for editorial and content suggestions made by Sunjoo Park, a Center research assistant and Ph.D. candidate in the College of Urban Affairs, and Mary Ellen Simon, copy editor. The authors would also like to thank Dr. Ziona Austrian, the Center's Director, and other reviewers for their comments.

The study was partially funded by the Economic Development Administration of the U.S. Department of Commerce through a University Center for Economic Development grant.



**TABLE OF CONTENTS**

**Executive Summary**..... i

**A. Introduction** .....1

    Methodology..... 1

**B. Changing Landscape of Regional Economic Development Policies**.....3

**C. Case Studies: Policy Review and Analysis** .....13

    Central Indiana Corporate Partnership..... 13

    Economic Alliance of Greater Baltimore..... 18

    Innovation Philadelphia ..... 23

    Greater Pittsburgh and Allegheny Conference on Community Development ..... 27

    The Economy Initiative for Southeast Michigan ..... 33

**Appendix** .....38

## **LIST OF TABLES**

Table 1. Selected Regional initiatives for the 1980s .....	5
Table 2. Selected Regional initiatives for the 1990s .....	7
Table 3. Selected Regional Initiatives for the late 1990s – early 2000s.....	8
Table 4. Selected Regional Initiatives for 2003 .....	10
Table 5. Selected Regional Initiatives for 2004-2005.....	11

## **LIST OF APPENDIX TABLES**

Table A1. List of Technology-Based Economic Development Initiatives .....	38
Table A2. Regional Technology-Based Economic Development Initiatives/Organizations .....	43

## EXECUTIVE SUMMARY

The national trend to regionalize state science and technology programs and decentralize the management of technology-based economic development activities was supplemented in Northeast Ohio by creation of regional economic development intermediaries – organizations charged with tasks that create a favorable regional environment to foster innovation and entrepreneurship. The regionalization of science and technology economic development policies also created a need to learn best practices and examples of development and implementation of regional policies to promote science and innovation-based economic development in other regions. These regional policies vary by design, sources of funding and requirements for matching, economic incentives, timing, and motivation for adoption.

The Center for Economic Development identified 132 regional initiatives in 28 states established between 1985 and 2005<sup>1</sup>. These initiatives were begun with the goal of making economic progress in the regions by capitalizing on technological advancements. The initiatives range from state-initiated, state-financed, regionally implemented programs or organizations to locally organized and regionally funded initiatives.

In this study, we examine over 24 regional initiatives from 19 states and describe five case studies in detail. These case studies include: the Central Indiana Corporate Partnership (Indiana), the Economic Alliance of Greater Baltimore (Maryland), the New Economy Initiative for Southeast Michigan, Innovation Philadelphia, and the Allegheny Conference on Community Development in Greater Pittsburgh (Pennsylvania). The data collection for this study involved extensive literature and Internet

---

<sup>1</sup> Our list is not meant to be exhaustive; criteria for selecting an initiative included a technology-based economic development focus and regional nature; an initiative that envisions a partnership between a government, higher education institution, and businesses; and a target area similar in size to Northeast Ohio.

searches and phone interviews of organizations that started or implemented the regional initiatives.

The variety of technology-based economic development initiatives on the regional level illustrates several major phenomena of the new millennium. It is noteworthy that not only businessmen, economists, and economic development practitioners are realizing economic benefits as a result of local technology advancement. Overwhelmingly, emphasizing regional benefits of technology-based economic development initiatives are shared by policy makers, community leaders, and ordinary citizens who are willing to invest in local initiatives, hoping to capture most of their benefits locally. With this realization come responsibilities. Regional leaders, whether professionals in economic development or another science, and local government officials, businessmen, and educators, are assuming leadership positions to advance their region's economy. They build on local strengths, including a strong research and development sector, a highly educated or narrowly specialized labor force, and a strong regional institutional or industrial structure. The initiatives that were selected for this study look beyond the local community's social goals; the initiatives envision building strategic alliances to make long-term investments.

The case studies described in this report present regional initiatives that will be of interest to Northeast Ohio policy makers and the general public. The project identifies different practices among regional science and technology economic development organizations and programs in regions comparable to the Greater Cleveland area. Each case study presents the following components:

- ✓ a short history of the initiative and the organization that initiated the policy or that was involved in its implementation from its start-up,

- ✓ an outline of the economic situation of the region in which it started,
- ✓ a description of the goal and major strategies or components of the policy initiative,
- ✓ a list that identifies the regional key players and describes their role in the creation and implementation of the initiative,
- ✓ the framework used to evaluate and measure the success of the initiative or the absence of such a framework.

The state of Indiana is represented by the Central Indiana Corporate Partnership's (CICP) initiatives. These initiatives can be classified as using two major approaches: (1) a building economic environment approach, and (2) an innovative clusters and industries approach. The first approach--building an economic environment that supports innovation and entrepreneurship--includes regional initiatives aiming to improve human capital, promote commercialization, implement government reform, and improve the business climate. The industry-advancement approach identifies growth-promising industries and provides services to industries focusing on workforce development, exploring new markets, and helping to build research and supplier networks. The CICP provides an agenda of new initiatives to support the economic environment either directly or within priority industries. Evaluations of these policies are conducted only by changing the environment in priority industries. Main short-term indicators that are considered when measuring success include the number of jobs created in an industry sector and the economic impact of industries' output on the region. The assessment of broader changes in a region's economic environment is yet to be established.

The state of Maryland is featured with economic development initiatives implemented by the Economic Alliance of Greater Baltimore (EAGB). Unlike CICP, this nonprofit corporation is fully dedicated to providing services to companies interested in relocating to the Greater Baltimore region. Functioning also as a regional economic

marketing umbrella, the EAGB gives priority to companies within the life science industries, healthcare services, financial services, information technology, and defense industries. The Economic Alliance helps to build a business case for each company that is willing to relocate. It helps a company by obtaining business incentives, building new relationships, and designing job training programs for its employees with the help of local universities and community colleges. The EAGB also facilitates private investing and the creation of a national marketing campaign for the region. Major accomplishments of the organization are assessed through a change of economic indicators of the regional economy. Significantly different in its policies from the CICP, the EAGB puts all its emphasis on business development and is similar to Northeast Ohio's Team NEO.

Innovation Philadelphia (IP) is another example of a regional initiative that puts heavy emphasis on human capital development. With four major types of policies, IP focuses on (1) retention, attraction, and development of skilled human capital, (2) providing support to emerging industries, (3) positioning the Greater Philadelphia area as a global hub for creative businesses and labor, and (4) attracting and retaining young professionals. Besides these major policies, IP provides financial and business assistance in the transfer of innovative technology from regional universities to local companies, provides seed money, and helps locate research funds and angel funding. The major venues of IP's "Global Plan for Greater Philadelphia" are establishing public-private partnerships to enhance regional strength in healthcare science and pharmaceuticals (UNESCO), a student retention initiative (CareerPhilly), and generating human capital for creative industries (Create Economy). The prevailing policies guiding the organization move away from targeting industry to disseminating resources that aid the development of creative industry entrepreneurship. To measure their success, IP conducts impact studies, industry characteristics studies, entrepreneurial and minority participation studies, and other quantitative and qualitative assessments of the economy.

The Allegheny Conference on Community Development (ACCD) in Greater Pittsburgh has been operational since 1944 and has adjusted its regional agenda to fit current socioeconomic and political conditions many times. This nonprofit corporation presents another case study with a regional agenda in the state of Pennsylvania. Its main strategic priorities include improving taxes and regulations, optimizing government structure, enhancing physical infrastructure, and attracting quality workforce to the region. In alliance with several regional organizations, ACCD is currently dedicated to building a new innovation ecology in the region with broad and concrete goals such as reinforcing the region's traditional economic base as a center for the metal industry and international corporate headquarters across industries; converting unused land, facilities, and the laborforce to new uses, especially in the area of advanced technologies; enhancing the region's quality of life and encouraging tourism; and expanding opportunities for women, minorities, and the structurally unemployed.<sup>2</sup> This organization measures its success by the amount of attracted investments and the number of attracted companies overall and in specific areas, the number of new and retained jobs, and the types of attracted businesses and labor. The ACCD assesses the cost effectiveness of improved governance by recouping lost revenues; and they measure regional labor attractiveness by creating new job-posting websites for outsiders and new venues to keep their own graduates.

The last case study is a description of a recent initiative in the state of Michigan, which is the only area in the United States other than Greater Cleveland where the major economic development effort to restructure the regional economy is led by local philanthropy.

The New Economy Initiative (NEI) for Southeast Michigan is a program supported by ten national, regional, and local foundations that have committed \$100 million to spur the economy in the region. Launched in 2007 as an 8-year program, this initiative is committed to the task of fostering regional economic growth by accelerating the transition of the region's old manufacturing economy to a new economy that is innovation-driven. Three major venues are being used to implement this policy: concentrating on the promotion of talent in the region, spurring innovation and entrepreneurship in new and existing enterprises, and promulgating cultural change in the regional innovation ecology.

All five case studies exhibit similarities and differences in their approaches to re-energize their regional economies. Started in prosperous times — as in Philadelphia, or as a result of the employment crisis— as in Michigan, concentrated on more narrow policy objectives— as business services in Baltimore, or on broader changes of economic environments— as in Indiana, all five case studies provide experience from which others can learn. The biggest lessons for Northeast Ohio can be drawn from the examples of measuring policy performance and building long-term coalitions (such as the ACCD).

---

<sup>2</sup> Structural unemployment is a form of unemployment resulting from a mismatch between the skills of workers seeking employment and skills of vacant jobs (demand) in the labor market. Even though the number of vacancies may be equal to the number of the unemployed, the unemployed workers may lack the skills needed for the jobs.

[http://en.wikipedia.org/wiki/Structural\\_unemployment](http://en.wikipedia.org/wiki/Structural_unemployment)

## A. INTRODUCTION

This report describes recent science and innovation economic development policies adopted in five regions comparable to the Greater Cleveland area. The case studies describe examples of regional policies aimed at the creation of innovative regional ecologies via technology-based economic development rooted in traditional means of industry targeting and business support or based on targeting factors supporting regional innovation, entrepreneurship, and collaboration. The timeline of the case studies differs according to the path of the most prominent regional science and innovation economic development policies in each region over the last 10 to 15 years. The report touches on

the history of the regions preceding the development of these policies and the organizational development of major players. Objectives declared by the policies are described along with tactical approaches used to achieve these objectives. The final section of each study discusses the outcomes of the regional policies and an evaluation of each of their successes. The political and leadership components in each case study are not revealed because the majority of the data were obtained from secondary sources. The five case studies presented are examples selected from a broader list of 21 regional policy initiatives and describe some results of the policy initiatives.

## METHODOLOGY

The main goal of this study is to identify successful practices in innovative policies aimed at building technology-based regional economies compatible with the Greater Cleveland area. To achieve this goal, we review a broad list of regional initiatives focused on technology-based development and initiatives aimed at creating innovation ecologies throughout the United States. There are five major dimensions to explore in each case: (1) how the initiative started, (2) the socioeconomic characteristics of the region before the initiative, (3) the major goal (strategy) and components (tactics) of the policy initiative, (4) the major organizational players, and (5) methods for evaluating the results of the initiative.

We use secondary data to construct the broader database and conduct case studies. The secondary data includes published articles, study reports, websites of the local governments and organizations, and public and proprietary databases to derive the socio-economic characteristics of the regions. We clarified some information with phone calls to government officials or management of the organizations

primarily to confirm that information we were obtaining from their websites was accurate.<sup>3</sup>

The defining criteria for creating the database for this study included a search of initiatives focused on geography, identifying regions smaller than the state. We excluded initiatives highly concentrated on a single function, for example, focused only on supporting K to 12 educational reform or creating a regional technology network. We were interested in the initiatives with programmatic richness focused on building an innovation- and technology-based economy.

From a list of 132 programs we selected a sample of 24 regional initiatives from 19 states and narrowed the sample to 5 cases to be studied in depth, identifying regions comparable to the Greater Cleveland area. Preference was given to regions with size and an economic structure similar to the industry mix in Cleveland, areas that have a mature physical infrastructure and

---

<sup>3</sup> No interviews were conducted for the case studies. The primary sources of information were web-based resources.

significant legacy of place, and those that have recently struggled with a low percentage of highly skilled labor and an increased population outflow. Each case study includes a short history of the initiative and the organization that started the policy or was involved in its implementation from the beginning, outlines the economic situation of the region in which it started, describes the goal and major strategies or components of the policy

initiative, identifies the regional key players and describes their role in the creation and implementation of the initiative, and points to the framework that is used to evaluate and measure the success of the initiative or to the absence of such a framework. The conclusion analyzes similarities and unique characteristics of the case studies and reflects on evaluation strategies of the policy initiatives.

## B. CHANGING LANDSCAPE OF REGIONAL ECONOMIC DEVELOPMENT POLICIES

The history of technology-based economic development reaches back to the 1960s when the model of federal government supporting technology development programs was adopted at the state level. Some states had area pioneers emerge before that decade and sources attribute that distinction to the Stanford Industrial Park in the 1940s or North Carolina's Research Triangle Park in the 1950s. The typology and historical evolution of state technology-based economic development policies and initiatives have been discussed in academic publications<sup>4</sup> and practitioners' reports.<sup>5</sup>

The phenomena of regional practices stimulating local economic development and relying on the area's technological strength were noted by Plosila (2004) in his analysis of state science- and technology-based economic development policies. He noted that "Regions, rather than the states, and represented through businesses, foundation, and higher education coalitions, are increasingly driving technology-based vision, strategies, and action plans, much more so than was evident between 1980 and 2000."<sup>6</sup>

Not only the policies shifted to the regional level, but also the responsibility to fund these initiatives was assumed more and more at the regional level, whether acquiring funding from the state and federal governments or raising (and often leveraging) money from local governments, businesses, and local and national philanthropy. The regional initiatives claimed better coordination of their goals to meet regional needs and better alignment of opportunities with local assets and competitive advantages. An important component of regionalization is the concept of citizen involvement and ownership in regional initiatives. Eventually, these initiatives become local policies and philosophy-of-place anchors for the region. They inspire and frame strategies, mobilize resources, and deliver results. Funded locally (even though, they might not all be from local financial pools), they becoming an investment with all the characteristics of accountability – relying on economic returns, new jobs, higher skills, and more business. The ultimate goal of these initiatives is sustainability and attractiveness, and the economical, social, and cultural vitality of the region. Economic vitality and wealth are paradigms that have driven America's success for a long time, and now, at the regional level it involves local leaders, universities and R&D labs, and financial and physical assets. Regional initiatives are often (co-) funded by federal and state-level initiatives but are directed by local leaders and institutions.

<sup>4</sup> Plosila, W. (2004). State science- and technology-based economic development policy: History, trends and developments, and future directions. *Economic Development Quarterly*, vol. 18, pp. 113-126; Mayer, H. (2010). Catching up: The role of state science and technology policy in open innovation. *Economic Development Quarterly*, forthcoming.

<sup>5</sup> Technology, Innovation, and Regional Economic Development: Encouraging High-Technology Development-Background Paper #2. Washington, D.C.: U.S. Congress, Office of Technology Assessment, OTA-BP-STI-25, February 1984; Colburn, C.M., Berglund, D., Dunbar, R., Filner, M., Brown, D., and Skinner, M. Partnerships: A compendium of state and federal cooperative technology programs. Battelle Memorial Institute. 1995.

<sup>6</sup> Plosila, W. (2004). State science- and technology-based economic development policy: History, trends and

developments, and future directions. *Economic Development Quarterly*, vol. 18, pp. 113-126.

This research identified 132 regional initiatives in 28 states established between 1985 and 2005<sup>7</sup> with a shared goal: to make economic progress in the regions by capitalizing on technological advancements. The initiatives ranged from statewide, state-financed, regionally implemented programs or organizations to locally organized and regionally funded initiatives (Appendix Table 1). Interestingly, the number of initiatives was not correlated with the size of the state. For example, California and Arizona had a similar number of regional initiatives, and Texas had fewer initiatives than Massachusetts. Another interesting difference among the states was a difference in bottom-up or top-down approaches. For example, Pennsylvania had more statewide programs implemented regionally, while Massachusetts had more locally initiated regional alliances.

To better understand the typology of the regional economic development initiatives based on technological advancements, we selected 13 and analyzed them using identical criteria. These 13 initiatives had two major similarities to technology-based economic development initiatives in Cleveland--the size of the region and the goal to advance their economies based on technological innovation.

The following tables (Table 1 to Table 5) recorded the main criteria for each of the initiatives grouping them by timelines. Such a grouping allows us to determine whether the nature of the initiatives changed over time and whether some technology-based economic development initiatives survived, remaining popular and successful today.

The mid-to-late 1980s were characterized by the emergence of state science and technology programs that were directly linked to economic development goals. Seminal projects of those times include Massachusetts Institute of Technology's impact on business development across Route 128, Stanford University's connection to the emergence of Silicon Valley, and the Research Triangle Institute established by universities in North Carolina. These projects captured the attention of many governors and economic development practitioners and seemed to be easily replicable. However, these projects were truly statewide in their scope and national by the targeted markets of graduates and research of the anchor institutions. Not every region had the capacity to replicate such success.

The idea of anchoring a technology-based economic development initiative in local universities became widespread and its popularity grew rapidly. Two regional initiatives featured in Table 1 were established in the mid-1980s and both declared academic institutions as their major anchors.

---

<sup>7</sup> We do not believe our list is exhaustive. Our selective criteria for considering an initiative included a technology-based economic development focus, regional nature of the initiative, preferably an initiative that envisions a partnership between a government, higher education institution and businesses, and a target area somewhat similar in size to Northeast Ohio.

TABLE 1. SELECTED REGIONAL INITIATIVES IN THE 1980s

Name of the regional initiative	CONNECT	High Tech Rochester
State	California	New York
Is it funded by state government?	Yes	Yes
Description of the targeted region	San Diego-Carlsbad-San Marcos MSA	Rochester / Finger Lakes region (one MSA and four counties.)
Does the region include a state capital?	No	No
What is the goal of the initiative?	To educate the San Diego region on how to commercialize local research-based discoveries.	To support the formation of new businesses based on innovative products and systems. Approximately 5 years ago, it also assumed the goal of working with small manufacturers to improve their productivity and competitiveness.
What are the regional competitive advantages?	The region has educational institutions including University of California, San Diego (UCSD); San Diego State University (SDSU); California State San Marcos; University of San Diego (USD); and community colleges. Another advantage is a well-trained work force and assets that attract capital investment. Another advantage is San Diego's culture of collaboration (sharing, partnering, supporting).	It has many regional networks and coordinates between organizational entities. High Tech Rochester has also worked to provide a competitive advantage for high tech businesses in the region.
What is the major anchor(s) of this initiative?	Academic institutions.	University of Rochester, and the Rochester Institute of Technology in 1987
When the initiative started?	The initiative began in 1985 under the UCSD. In 1994 it broke off and became an independent nonprofit organization.	1987
Does it have a non-profit status (501 c)?	Yes	Yes
Website address	<a href="http://www.connect.org/">http://www.connect.org/</a>	<a href="http://www.htr.org/">http://www.htr.org/</a>

The regions of both initiatives consisted of at least one Metropolitan Statistical Area (MSA) and were established in large cities which were not the state capitals. The San Diego MSA's initiative, CONNECT, was aiming at educating inventors in the San Diego region to commercialize their inventions and add to the economy of the San Diego MSA. CONNECT started as a program at the University of California at San Diego and spun off as a regional nonprofit organization reaching out to other academic institutions and community colleges. Facing the pressure of globalization in the intellectual product market and the pressure of cheap labor from neighboring Mexico, the region needed to advance economically based on its strengths, which included a strong research base, a culture of collaborative partnerships, and an entrepreneurial spirit. CONNECT was strongly supported by the local research community, the private sector and local governments and was partially funded by the state government.

The High Tech Rochester initiative (established as High Technology of Rochester, Inc.) was born in 1987 and became a separate nonprofit institution from its inception. It was initiated by the Greater Rochester Metro Chamber of Commerce, the University of Rochester, and the Rochester Institute of Technology. Its goal has been to support the formation of new businesses based on innovative products and systems. In the early 2000s, it also assumed the goal of working with small manufacturers to improve their productivity and competitiveness in the market. The organization was also charged with transforming Rochester's older manufacturing base and promoting its historical technology cluster. This regional initiative was strongly supported by the state government even though its scope and policy had a regional basis. The state government funded this initiative through the New York State Office of Science, Technology and Innovation and, in addition, had strong support from local stakeholders.

Both these initiatives were strongly anchored in local universities and seemed to be a natural extension of services although not intrinsic to the academic institutions at that time. Both were strongly connected to regional research network and supported by state governments.

The three following initiatives (Table 2) were established in the 1990s and are grouped not only by a common time period when they were established, but also by the type of institutions in which they were anchored. The common feature among the anchor institutions was not in what they were, but rather in what they were not; i.e., they were not solely local universities. All three initiatives were turned into nonprofit organizations, and all three were based on well-developed technology strengths in the regions.

There were other unique characteristics in these regions. Southern Arizona Tech Council and the Regional Development Corporation of New Mexico were focused on smaller regions (one MSA each) while Florida Tech Corridor covered seven MSAs and nine additional counties. The Arizona and Florida initiatives covered regions that did not include capital cities, while the New Mexico initiative covered Santa Fe, which is a capital city. All three regional initiatives were supported by their state governments.

These three initiatives established during the 1990s were broad in scope, and the emphases of the initiative changed as it became more strategic and proactive in tone. For example, New Mexico wanted to establish an organization that would take leadership in coordinating their long term economic development goals with local, state, and national initiatives, in comparison to the San Diego initiative that promoted commercialization of innovation.

TABLE 2. SELECTED REGIONAL INITIATIVES IN THE 1990s

Name of the regional initiative	Southern Arizona Tech Council	Florida High Tech Corridor	Regional Development Corporation
State	Arizona	Florida	New Mexico
Is it funded by state government?	Yes	Yes	Yes
Description of the targeted region	Tucson MSA	Seven MSAs and nine counties.	Santa Fe MSA (Santa Fe county). The region also includes Los Alamos, Rio Arriba, Taos, San Miguel, Mora, and Sandoval counties
Does the region include a state capital?	No	No	Yes
What is the goal of the initiative?	To promote/implement high-tech business development and competitiveness in Tucson, Pima County and Southern Arizona.	To attract, retain and grow high tech industry and the workforce to support it within the 23-county Florida High Tech Corridor.	To provide leadership in regional economic development and diversification in alignment with local, statewide, and national initiatives that add long-term value to Northern New Mexico.
What are the regional competitive advantages?	Major Research institution in the University Arizona and well-developed industry cluster	Partnership among three world-class universities, more than 20 local and regional economic development organizations (EDOs), 14 community colleges, and numerous organizations serving the 23-county region.	Located by the Los Alamos National Labs.
What is the major anchor(s) of this initiative?	Arizona Department of Commerce; City of Tucson; Pima County; Southern Arizona Tech Council; Tucson Regional Economic Opportunities; and University of Arizona.	The regional research institutions.	Los Alamos National Park
When the initiative started?	1992	1996	1996
Does it have a non-profit status (501 c)?	Yes	Yes	Yes
Website address	<a href="http://www.satc-az.com/index.cfm">http://www.satc-az.com/index.cfm</a>	<a href="http://www.floridahightech.com/">http://www.floridahightech.com/</a>	<a href="http://www.rdcnm.org/">http://www.rdcnm.org/</a>

The Florida High Tech Corridor was established by the state legislature of Florida to attract, retain, and grow high-tech industry. Its strength was based on its world-class universities, but also on local and regional economic development organizations and community colleges. Southern

Arizona Tech Council had a similar goal of promoting high-tech business development, but their initiative was based on a major research institution in the University of Arizona and well-developed industry clusters built primarily around the optics industry.

TABLE 3. SELECTED REGIONAL INITIATIVES IN THE LATE 1990s – EARLY 2000s

Name of the regional initiative	Central Indiana Corporate Partnership	The Northern Colorado Development Corporation	Innovation Philadelphia
State	Indiana	Colorado	Pennsylvania
Is it funded by state government?	Yes	Not directly, receives a 25% State tax credit	Yes
Description of the targeted region	Six-MSA region.	Fort Collins-Loveland MSA (Larimer County).	Two MSA's, one in Pennsylvania and one in New Jersey.
Does the region include a state capital?	Yes	No	No
What is the goal of the initiative?	To develop an overall vision and perspective for the region's economic future, focused on key clusters and emerging industries. Their vision is that central Indiana becomes the leader of a diversified center in manufacturing, life sciences, and information technologies.	To attract new business, create high-wage job, and assist existing industry with growth and expansion.	To support technology-driven economic growth in the Philadelphia Region through growing the for-profit creative industries, attracting and retaining young professionals vital to economic growth, and fostering entrepreneurship and new ideas.
What are the regional competitive advantages?	It represents 34 % of the state's total population and has two strong clusters in advanced manufacturing and life sciences. It also has a set of emerging industries which may become a cluster in the future.	It has research institutions, low cost of living, and an educated workforce.	The region has long history and a heritage of success, as well as top universities, hospitals and technology clusters.
What is the major anchor(s) of this initiative?	Critical mass of manufacturing firms, the region's strong base in higher education through their two major research universities, low cost of living, and their central geographic location necessary for the transportation and logistic industries.	Engaged universities with active leadership, an active and coordinated industry, specialized facilities & equipment, and supportive business climate.	Was not explicitly determined by the organization.
When the initiative started?	1999	2000	2001
Does it have a non-profit status (501 c)?	Yes	Yes	Yes
Website address	<a href="http://www.cincorp.com">http://www.cincorp.com</a>	<a href="http://www.ncedc.com/">http://www.ncedc.com/</a>	<a href="http://www.innovationphiladelphia.com">http://www.innovationphiladelphia.com</a>

The process of maturation of the regional technology-based economic development initiatives was even more evident in the next three initiatives established in the late 1990s to early 2000s. Central Indiana Corporate Partnership, the Northern Colorado Development Corporation, and Innovation Philadelphia (Table 3) are all independent nonprofit organizations that were established based on strong regional technology hubs. All three are examples of true bottom-up approaches although the Central Indiana Corporate Partnership, unlike the other two initiatives, involves the state capital.

These three initiatives had some interesting peculiarities in the history of their establishment and their characteristics. Both Central Indiana and Innovation Philadelphia included world-class cities, Indianapolis and Philadelphia, and had the financial support of their state governments, and both initiatives started in a similar manner. The Central Indiana Corporate Partnership (CICP) was formed in 1999 to bring together the chief executives of Central Indiana's most prominent corporations and its university presidents in a regional approach to long-term economic growth. According to the organization's website, "Innovation Philadelphia, founded in 2001 by the City of Philadelphia and business and academic leaders, was originally charged with helping to grow the technology and knowledge industry sectors of Philadelphia's economy. In 2006, the organization adopted a strategic plan that targeted the growth of for-profit, creative industry sectors that are driven by technology."<sup>8</sup>

Both initiatives covered comparatively large regions; the CICP serves more than one third of the state population, and Innovation Philadelphia includes a region that crossed over the state boarder, covering one MSA in Pennsylvania and one in New Jersey. Central Indiana Corporate Partnership and Innovation Philadelphia included core cities and older industries, which they were attempting to modernize, while the Northern Colorado Development Corporation, known as a hub for technology and innovation in Colorado,

covered only one MSA that wanted to expand its economy. The Northern Colorado initiative regarded engaged universities and active and coordinated industry as their strength, while two other initiatives counted on their central locations and existing structure of industrial clusters.

After broadening their overall goals at the regional level, some initiatives that began in later years focused more precisely on specific technologies, keeping broader goals in mind and academia at the core of their regional competitive advantage. Like Innovation Philadelphia in Pennsylvania, the Regional Technology Corridor (Table 4) was established crossing the border between two states, Massachusetts and Connecticut. The Regional Technology Corporation, organization fostered this initiative, was created to increase the number of technology-based businesses in western Massachusetts. It was created in direct response to an assessment by the Economic Development Council of Western Massachusetts which found that the region needed a more precise technology development strategy. This initiative was funded by the federal government. The National Science Foundation awarded the University of Massachusetts Amherst, a grant of \$600,000 and this grant created the Regional Technology Alliance which fostered three technology clusters: information technology, advanced manufacturing, and materials and biotechnology.

Renaissance Park in Illinois was established in May 2003, when the Peoria City Council passed an ordinance creating the 773-acre Peoria Medical and Technology District. Since then, the progress of the district has been revised by a commission of representatives from the neighborhoods, businesses, and anchor institutions. The commission developed a comprehensive master plan, and in 2005 voted to adopt the name Renaissance Park. Both initiatives are based on national technology hubs, world-class universities and the national research lab. The goals of both initiatives were to create strong, viable, competitive clusters based on technology assets and knowledge.

---

<sup>8</sup> Source: <http://www.innovationphiladelphia.com/about-us/history.aspx>. Accessed June 10, 2009.

TABLE 4. SELECTED REGIONAL INITIATIVES IN 2003

Name of the regional initiative	Regional Technology Corridor	The Renaissance Park
State	Massachusetts & Connecticut	Illinois
Is it funded by state government?	No	Yes
Description of the targeted region	Hartford-West Hartford-East Hartford MSA (CT) and Springfield MSA (MA)	Peoria MSA
Does the region include a state capital?	No	No
What is the goal of the initiative?	To create strong, systematic linkages across industry and academia to ensure the region is taking advantage of its technology assets and is positioned at the forefront of technology changes reshaping the economy.	Did not give an explicit goal, but emphasizes that it is in the business of developing a knowledge community fit for the 21st century.
What are the regional competitive advantages?	Significant technological resources across its research institutions, industries, and technology assets.	The nation's largest agricultural research lab, a nationally recognized university, two regional medical centers and a world-renowned college of medicine.
What is the major anchor(s) of this initiative?	The location of the region brings with it many anchors such as 1.6 million people, 29 higher education institutions, over \$180 million in sponsored research, and a world class airport (Bradley International Airport).	Bradley University, Methodist Medical Center, OSF Saint Francis Medical Center, the University of Illinois College of Medicine Peoria, and the National Center for Agricultural Utilization Research
When the initiative started?	2003	2003
Does it have a non-profit status (501 c)?	Yes	Yes
Website address	<a href="http://www.rtccentral.com/index.php">http://www.rtccentral.com/index.php</a>	<a href="http://www.renaissanceparkpeoria.com/">http://www.renaissanceparkpeoria.com/</a>

Three more regional initiatives established by the mid-2000s were selected for a brief review from the pool of technology-based economic development examples (Table 5). None of these three initiatives includes a state capital and they cover more than the area of a single labor market. North Texas Regional Center of Innovation and Commercialization (NTXRCIC) covers the largest region; it includes seven MSAs and 41 counties. Drawing workforce, infrastructure, research institutions, and capital from the Dallas-Fort

Worth area, NTXRCIC acts as the regional agent for the Texas Emerging Technology Fund (ETF) Committee to identify, evaluate, and provide matching funding for new technology projects. Funded by the state, the NTXRCIC is focused on supporting technology innovation and commercialization through building partnerships between private sector, academic institutions, and the governments.

TABLE 5. SELECTED REGIONAL INITIATIVES FOR 2004-2005

Name of the regional initiative	Cedar Rapids/Iowa City Technology Corridor	Fund for our Economic Future	North Texas Regional Center of Innovation and Commercialization (NTXRCIC)
State	Iowa	Ohio	Texas
Is it funded by state government?	Yes	No	Yes
Description of the targeted region	Iowa City and Cedar Rapids MSAs.	Five MSA and four counties.	Seven MSA and forty-one counties
Does the region include a state capital?	No	No	No
What is the goal of the initiative?	The Cedar Rapids/Iowa City Technology Corridor is dedicated to strengthen and improve the region's the economic prosperity and competitiveness through business attraction and retention, job creation and opportunities.	The Fund collaborates with others in the 16-county region to improve the region's economic competitiveness in four priority areas: Business Growth & Attraction, Talent Development, Growth Through Racial & Economic Inclusion, Government Collaboration & Efficiency	To provide knowledge of and market the EFT program to all entrepreneurs and regional stakeholders, provide outreach and network resources to our current and future ETF awardees and increase opportunities for the establishment of net technology based ventures in the North Texas region though cooperate partnerships between industrial, financial, and higher education organizations
What are the regional competitive advantages?	Proximity to the University of Iowa, Kirkwood Community College and other public and private educational institutions that provide area businesses with workforce skills, education/training and research and development support.	The regional size, industry development, workforce, and educational institutions.	North Texas has the ability to draw from the Dallas-Fort Worth area workforce, infrastructure, research institutions, and capital.
What is the major anchor(s) of this initiative?	Research institution: University of Iowa	Regionalization: 16 counties, five metropolitan areas, and a broad range of urban, suburban, rural and natural assets are acting as one economic region by sharing economic agenda and creating economy of scale. The region is home to more than 4 million residents and generates an annual economic output of \$170 billion.	Dallas-Fort Worth Metro Area
When the initiative started?	2004	2004	2005
Does it have a non-profit status (501 c)?	No	Yes	Yes
Website address	<a href="http://www.tech-corridor.com/">http://www.tech-corridor.com/</a>	<a href="http://www.futurefundneo.org/">http://www.futurefundneo.org/</a>	<a href="http://www.ntxrcic.org/">http://www.ntxrcic.org/</a>

The Cedar Rapids/Iowa City Technology Corridor consists of two MSAs which are located between two major cities in Iowa--Cedar Rapids and Iowa City. The Technology Corridor is a unique partnership between the Iowa City Area Development Group and Priority One of Cedar Rapids.

The Iowa initiative is dedicated to strengthening the regional economy through strong partnerships and collaboration among businesses, community leaders, educators, and municipal and state governments. The Technology Corridor initiative is taking advantage of proximity to the University of Iowa, Kirkwood Community College and other public and private educational institutions, as well as anchor companies with strong research components such as Rockwell Collins, ACT, Integrated DNA Technologies, and Genencor International.

The Fund for Our Economic Future is a collaboration of philanthropic organizations and individuals who have united to strengthen the economic competitiveness of the Northeast Ohio region. The Fund for Our Economic Future (the Fund) is a nonprofit organization governed by its members and consisting of organizations and individuals who have committed \$100,000 or more to the Fund over a 3-year period. The service area of the Fund is a 16-county region that includes four Northeast Ohio MSAs and surrounding rural counties. The Fund for Our Economic Future serves as catalytic and coordinating agency for Northeast Ohio economic advancement. It awards grants to nonprofit organizations that work on strengthening the region's economic competitiveness. Since 2004, the Fund has awarded more than \$70 million in grants, mainly to a handful of regional economic development organizations that collaborate to accelerate business growth in the region. Those

organizations include BioEnterprise, JumpStart, MAGNET, Minority BusinessAccelerator 2.5+, NorTech, and Team NEO. In addition, the Fund catalyzes regional initiatives that address the priorities of Advance Northeast Ohio.

All three initiatives are very different in their nature, history of emergence, and their tasks and priorities. They are funded and operate in different ways united by one overarching goal – to develop regional economies based on technology advancement, to support the development of entrepreneurial culture, and to help build partnerships that are most valuable for their regions.

The variety of technology-based economic development initiatives at the regional level illustrates several major phenomena of the new millennium. First of all, not only businessmen, economists, and economic development practitioners are realizing economic benefits from capturing results of local technology advancement. Overwhelmingly, this knowledge has become common for policy makers, local community leaders, and ordinary citizens who are willing to invest in local initiatives hoping to capture most of their benefits locally. With this realization come responsibilities. Regional leaders, whether they are professionals in economic development or other sciences, local governments, businessmen, or educators, are assuming a leading position for advancement of the regional economy building on local strengths – a strong research and development sector, highly educated or narrowly specialized labor force, or a strong regional institutional or industrial structure. The initiatives that were selected for this study look beyond the local community's social goals; they are building strategic alliances to make long-term investments.

## C. CASE STUDIES: POLICY REVIEW AND ANALYSIS

The smaller sample of 13 regional initiatives identifies some specific characteristics that are unique to each initiative. In the following section, five in-depth case studies provide additional information on how some initiatives started up, the regional challenges to which they responded,

and the initial goals that were set to advance local economies. We were most interested to learn how the progress of the initiatives was measured and what were the mechanisms of their evaluation.

### CENTRAL INDIANA CORPORATE PARTNERSHIP

#### Historical Development

The Central Indiana Corporate Partnership (CICP) was formed in 1999 with the objective to develop a long-term approach to economic growth for the central Indiana region. This initiative was driven by the goal to bring together the chief executives and university presidents of the region to make the most prominent corporations and universities “the focal point for economic development at the crossroads of America.”<sup>9</sup>

The central Indiana region accounts for five MSAs and includes the core cities of Anderson, Bloomington, Columbus, Indianapolis, Kokomo, Lafayette, Muncie, and Shelbyville. According to the website of the organization, CICP is an umbrella civic organization, which brings together regional leadership to advance innovation, entrepreneurship, workforce development, and create a pro-growth business climate in the region.

In 2001, CICP developed a blueprint for regional economic development, focusing on key specific industries including life sciences, logistics and technology, advanced manufacturing, as well as dedicating its efforts to strengthening human capital, venture investment, business attraction,

and networking.<sup>10</sup> To achieve this mission, CICP developed an action plan focused on building a world-class workforce, capitalizing on the workforce already available in the region, building an entrepreneurial culture, and attracting and recruiting business. The plan was executed through several initiatives led by the CICP. These initiatives include BioCrossroads, TechPoint, Conexus Indiana, and the Indy Partnership.

Before outlining the economic development agenda, CICP, together with Battelle Memorial Institute, examined the regional economy by performing key tasks. The first task undertaken was a comprehensive cluster analysis that identified advanced manufacturing, information technology, and life sciences as the three emerging clusters for the region. In an effort to compare the Central Indiana region with similar regions, a benchmark analysis of the national “best practices” was carried out to identify the “lessons learned” in other regions and to avoid mistakes made by others. This led to the analysis of strengths, weaknesses, opportunities, threats (SWOT) for the region. The third task involved conducting focus group meetings in the key emerging clusters to obtain input from leaders in business, the nonprofit community, trade and

<sup>9</sup> CICP home page, [http://www.cincorp.com/about\\_cicp.aspx](http://www.cincorp.com/about_cicp.aspx), accessed May 15, 2009.

<sup>10</sup> Source: [http://www.cincorp.com/about\\_cicp.aspx](http://www.cincorp.com/about_cicp.aspx), accessed May 15, 2009.

professional associations, higher education, and government.

This initial analysis laid the course upon which CICIP shaped the Central Indiana economic development initiative. The mission adopted by CICIP in the 2000 Executive Summary<sup>11</sup> emphasized: “Central Indiana is a diversified innovation center in manufacturing, life sciences, and information technologies. By focusing on educating its current and future workforce, the region’s industries, working closely with its educational institutions, educate and train workers employed by industry in value-added product development and production for global markets. The region’s economic growth is sustained by focusing on retaining its existing businesses, and their expansion, by entrepreneurship, and selective recruitment of those firms desirous of its quality of life and excellent workforce.”

### Description of the Region

To understand the structural context of this initiative it is necessary to review the profile of the Central Indiana region. The CICIP vaguely defines the region using the logic that political boundaries are ill-suited for the purposes of economic development. The working definition of the region encompasses the six Metropolitan Statistical Areas (MSAs) of Indianapolis, Lafayette, Bloomington, Muncie, Columbus, and Anderson in the state of Indiana. This region captures 42.7% of the 2007 state’s total employment and 46.5% of the state’s gross domestic product.<sup>12</sup> Besides the announcement that Indianapolis will host the Super Bowl in 2012, there are many noteworthy claims for the region.

<sup>11</sup> Executive Summary of the Prospectus for Economic Clusters; Advanced Manufacturing, Life Science, and Information Technology: Nurturing Central Indiana’s Pillar Industries for 21<sup>st</sup> Century Midwestern Pre-Eminence. Battelle Report (2000). Prepared for CICIP.

<sup>12</sup> According to Moody’s Economy.com

The 2003 Brookings report on Indianapolis<sup>13</sup> shows that, according to the 2000 Census, the region surrounding Indianapolis is economically prosperous. The unemployment rate for the city of Indianapolis was below the national average and the adult participation rate in the labor force was high. Indianapolis, which is the center of what is known as the “Heartland of Indiana,” has a low poverty rate with a healthy mix of household incomes, high rates of home ownership, and a large inflow of Latin American immigrants; its largest age group of residents is between 25 and 29 years old.

The Center for Urban Policy and the Environment in its report (2004) noted that as a result of globalization there was “a loss of manufacturing jobs in the Indianapolis region (a loss of 1,662 jobs between 1998 and 2001) During the same period of time, the total number of jobs in the Indianapolis region grew by nearly 30,000,” constituting the shift from a manufacturing-based economy to a service-based economy. However, this shift brought not only new opportunity, but also some losses for Indianapolis. “The average wage for manufacturing jobs in the Indianapolis region was around \$60,000, while retail jobs averaged around \$18,500 and service sector jobs averaged nearly \$33,000.”<sup>14</sup> The city and the region were hit hard during the current recession, like other Great Lakes metropolitan areas. Although it was among those regions experiencing high foreclosure rate, it nevertheless gained 1.2% in house prices between 2008 and 2009.<sup>15</sup>

Besides noting the shift to more labor-intensive but lower-paying industries, the same report from the Center for Urban Policy and the Environment

<sup>13</sup> Indianapolis in Focus: A Profile from Census 2000. The Brookings institution. [http://www.brookings.edu/2003/~media/Files/rc/reports/2003/11\\_livingcities\\_Indianapolis/indianapolis2.pdf](http://www.brookings.edu/2003/~media/Files/rc/reports/2003/11_livingcities_Indianapolis/indianapolis2.pdf)

<sup>14</sup> If we don’t change, we can’t remain the same. Central Indiana. Center for Urban Policy and the Environment. April 2004. <http://www.policyarchive.org/handle/10207/bitstreams/9.pdf>, retrieved June 16, 2010.

<sup>15</sup> Great Lakes Monitor, September 2009. The Brookings Institution. <http://www.brookings.edu/>. Prices are adjusted for inflation.

(2004) acknowledged the growing median age of the population, which has been affected by aging baby boomers, the growing diversity of residents caused by the inflow of a Spanish-speaking population, and, as a result, an average rate of growth in jobs and income slower than the nation, and growing social challenges in public schools and social service agencies. The report cited the need “to adopt and incorporate new traditions and customs.”<sup>16</sup> Although, the region has a business-friendly tax and regulatory environment, with R&D and venture investment tax credits,<sup>17</sup> the regional leaders are still concerned about the decline of some social and economic indicators in the Indianapolis region, including indicators reflecting a declining population and low education levels for minorities, specifically African Americans.

This region also has a strong educational infrastructure with eighteen 4-year colleges & universities and seven vocational & technical colleges. Among them are Purdue University, Indiana State University, and DePaul University.<sup>18</sup> This is the economic and social circumstance out of which CICIP was born and around which many of their policies are focused.

### **Typology of Economic Development Policies: Building an Innovation Environment**

CICIP focuses on four key policy areas: (1) *Human Capital*, (2) *Innovation*, (3) *Government Reform*, and (4) *Business Climate*. Within the first policy area -- *Human Capital* -- CICIP has recognized the importance that a skilled workforce plays in the economic prosperity of their region. The CICIP is involved in several initiatives designed to strengthen regional human capital: Building

<sup>16</sup> If we don't change, we can't remain the same. Central Indiana. Center for Urban Policy and the Environment. April 2004,

<http://www.policyarchive.org/handle/10207/bitstreams/9.pdf>, retrieved June 16, 2010.

<sup>17</sup> According to the CICIP website, <http://www.cincorp.com>, accessed on May 15<sup>th</sup>, 2009.

<sup>18</sup> Indy Partnership. Indianapolis Regional Educational Summary, <http://www.indypartnership.com>, accessed on May 22<sup>nd</sup>, 2009.

World-Class Manufacturing and Logistics Workforce; Science, Technology and Engineering Education; and the In-Step AP Project.

The first initiative, Building World-Class Manufacturing and Logistics Workforce, aims at helping to rebuild the state's pipeline for workers in the manufacturing and logistics industries through Conexus Indiana. This is conducted in a variety of ways. Educational and training programs are developed to meet the needs of employers in the region: restructuring the advanced manufacturing curriculum for Ivy Tech Community College and supporting supply chain management degrees at the Kelley School of Business of Indiana University.

The second initiative, Science, Technology and Engineering Education, is centered on educating workers in technical fields, i.e., science, technology, engineering, and math (STEM). This initiative focuses on the K-12 education system.

The third initiative, the In-Step AP Project, focuses on improving science and math education for high school students to steer them into careers in the life sciences and manufacturing industries.

The second key policy area is centered on *Innovation*. CICIP is dedicated to growing an entrepreneurial sector through the BioCrossroads initiative. BioCrossroads is a catalyst of the life science industry with a mission to “create an environment that provides more economic opportunity and a thriving entrepreneurial network as well as better healthcare for our communities and inspiration for young talent.”<sup>19</sup> It has raised more than \$80 million in venture capital for life science and start-up business in the central Indiana region. TechPoint, a partner organization, helps in the innovation initiative by focusing on entrepreneurial education and networking.

*Government Reform* is another key policy area of CICIP, which recognizes that in order to avoid

<sup>19</sup> BioCrossroads website:

<http://www.biocrossroads.com/content.aspx?Key=3>, accessed on May 22, 2009.

budget cuts and local income tax increases, local government needs to be consolidated. There are concerted efforts to eliminate township governments, consolidate all elected county officials into a single elected County Executive, merge school districts, and engage in regional revenue-sharing policies. The CICIP has crystallized these efforts in their 2007 report of the Indiana Commission on Local Government Reform.

The last CICIP policy area, *Business Climate*, is centered on promoting and developing a business-friendly environment. The CICIP focuses on tax credits and business incentives and has 32 different programs helping to attract, develop, and retain businesses in the area. These programs include tax abatements for key industries, sales tax exemptions for research and development equipment, refundable tax credits, patent tax exemptions, and a myriad of other programs.<sup>20</sup>

### Major Types of Services: Industry Approach

CICIP's initiatives focus on strategies for key Central Indiana industries: advanced manufacturing, life sciences, logistics, and information technology. The life science sector is serviced through the BioCrossroads life sciences initiative, which has raised more than \$80 million in venture capital for start-ups and growing companies.<sup>21</sup> BioCrossroads works closely with regional organizations to further the logistics industry of Central Indiana. BioCrossroads manages the \$6 million Indiana Seed Fund designed to provide capital for new companies in the industry. BioCrossroads is dedicated to improving healthcare in Indiana through the formation of new enterprises and promoting collaboration with research institutions.<sup>22</sup>

The Advanced Manufacturing and Logistic Initiatives are run through the Conexus Indiana organization. This initiative capitalizes on

emerging opportunities in advance manufacturing and logistics industries by providing services focused on workforce development, exploring new market opportunities and building research and supplier networks.<sup>23</sup> Conexus Indiana is developing a statewide strategic plan for the public and private logistics infrastructure. The human capital for the logistics sector is promoted through workforce programs. Conexus Indiana identifies state and federal level policy areas that impact the logistics industry and works with public leaders, academia, and associations to enhance the sector. Conexus Indiana is also building awareness for the logistic sector through the mass media.<sup>24</sup>

CICIP has partnered with TechPoint to grow the information technology sector for the region and serve other technology-intensive industries. TechPoint enhances tech industries through targeting entrepreneurship, workforce development, connectivity and capital formation.

In addition, the Indy Partnership cuts across all industries to attract businesses and develops a strategy for the region combined of ten Central Indiana counties. This Partnership serves as a one-point site selection agency offering rich data for the region and easy-to-use GIS Mapping. Indy Partnership promotes business clusters based on the strategic industries for Central Indiana, namely, life sciences; transportation, distribution and logistic; advanced manufacturing; clean-tech energy; information technology; and motorsports. It also promotes sports businesses to support and promote the 2012 Super Bowl.

### Evaluating and Measuring Success

CICIP measures the success of each economic sector by industry specific benchmarks. The 2008 State of the Industry Report on Manufacturing and Logistics in Indiana highlights that CICIP provides an analysis of the performance of the

<sup>20</sup> According to CICIP website, <http://www.cincorp.com>, accessed on May 13, 2009.

<sup>21</sup> According to [www.cincorp.com/life\\_sciences.aspx](http://www.cincorp.com/life_sciences.aspx)

<sup>22</sup> According to BioCrossroads 2007 Report, <http://www.biocrossroads.com>

<sup>23</sup> According to [www.cincorp.com/advanced\\_manufacturing.aspx](http://www.cincorp.com/advanced_manufacturing.aspx), retrieved on May 2, 2009

<sup>24</sup> According to <http://www.conexusindiana.com/Logistics.aspx>

manufacturing and logistics sectors for the region. The report outlines the size and scope of the industry, examines the occupational mix of manufacturing industries for the region, provides a detailed metric of productivity and technological change, and measures the business climate through an assessment of human capital. This report compares Indiana with the states of Michigan, Illinois, Kentucky, and Ohio.<sup>25</sup>

The life science industry has an annual BioCrossroad Report that compares the Indianapolis region with other areas, such as Washington, D.C, Seattle, and Atlanta in terms of business employment in the sector.<sup>26</sup> CICIP uses specific indicator, the number of firms to measure the success in the information technology sector. In addition, it uses the number of jobs by industry sectors and dollars of output for measuring the industry impact in the region.<sup>27</sup>

---

<sup>25</sup> According to 2008 State of the Industry Report: Manufacturing and Logistic in Indiana.

---

<sup>26</sup> According to 2007 BioCrossroads Report.

<sup>27</sup> Source:  
[http://www.cincorp.com/information\\_technology.aspx](http://www.cincorp.com/information_technology.aspx)

## ECONOMIC ALLIANCE OF GREATER BALTIMORE

### Introduction

The Economic Alliance of Greater Baltimore (Economic Alliance) is a nonprofit corporation dedicated to the public-private partnership of businesses, governments, and education institutions in the Greater Baltimore region.<sup>28</sup> The Economic Alliance's primary agenda is to provide incentives for relocating or expanding businesses to the Baltimore region. It also focuses on the recruiting of employees and capital investments to the area. The Economic Alliance provides a broad network of regional business, nonprofit, and jurisdictional government partners to companies interested in relocating in the Baltimore region. The Economic Alliance provides data and strategic outreach to its members and is dedicated to building strategic incentives for business attraction to the region. The Economic Alliance has shaped itself into a liaison and advocacy organization for the Greater Baltimore region.<sup>29</sup>

### Historical Development and Current Goals

In 2004, the Greater Baltimore Alliance was renamed as the Economic Alliance of Greater Baltimore. This was not the first reincarnation of this organization. David M. Gillece was one of the chief architects of the Greater Baltimore Alliance, which spun off from the Greater Baltimore Committee in 1997. Gillece was elected the chairman of the Greater Baltimore Economic

Alliance in 2003.<sup>30</sup> In 2004, the Economic Alliance of Greater Baltimore reorganized its approach toward economic development to focus on three industry sectors: life sciences, financial services, and defense-related information technology.<sup>31</sup> In particular, the Economic Alliance adopted a business plan to emphasize industry-specific business development strategies for the region. The primary sector which the Economic Alliance targeted in 2004 was the biotechnology industry. The Economic Alliance expanded this industry sector by working with venture capital organizations to attract seed funding for life-science firms.<sup>32</sup>

Today, the Economic Alliance functions as the regional economic marketing umbrella for the region. Their goal is to unite business, government, and educational institutions in the region and to promote the Greater Baltimore region for business location, growth, and investment. The Economic Alliance provides a variety of services to companies interested in relocating to the region: building business cases, facilitating the relocation process, facilitating private investment, executive sales missions, and national marketing.<sup>33</sup> It also offers regional data and resources, introductions into the business community, and information on the quality of life. The regional information provided by the

<sup>28</sup> According to Economic Alliance of Greater Baltimore. (2004) 990-Tax Return. [http://tfcny.fdncenter.org/990\\_pdf\\_archive/522/522034715\\_200412\\_990O.pdf](http://tfcny.fdncenter.org/990_pdf_archive/522/522034715/522034715_200412_990O.pdf), retrieved June 4, 2009

<sup>29</sup> Source: "About the Alliance." <http://www.greaterbaltimore.org/about.aspx>, retrieved June 4, 2009

<sup>30</sup> "Greater Baltimore Alliance Has New Name, New Chairman," SSTI Weekly, 14 Nov 2003. <http://www.ssti.org/search.html>, retrieved on June 5, 2009

<sup>31</sup> Source: SSTI Weekly Digest, 1 Nov 2004. <http://ssti.org/search.htm>, retrieved on June 5, 2009

<sup>32</sup> According to Economic Alliance of Greater Baltimore. (2004) <http://www.ssti.org>, Retrieved June 5, 2009

<sup>33</sup> Source: Economic Alliance of Greater Baltimore. "About the Alliance". [www.greaterbaltimore.org/report.html](http://www.greaterbaltimore.org/report.html), retrieved June 5, 2009

Economic Alliance includes demographic and regional comparative statistics, employment and workforce data, real estate options and regional incentives, and economic facts about each county in the region. These services are provided in order to market the region to outside businesses, to provide statistics comparing Greater Baltimore to competing regions, and for national site location consultants to review information on the opportunities the region offers.<sup>34</sup>

The Economic Alliance serves the following industries: biotechnology and life sciences; information technology/defense; financial services; manufacturing; distribution and logistics; information services; not-for-profits; animation, gaming, simulation; leisure and hospitality; retail; movies and film; small business sectors; and unique companies. The state and local partners of the Economic Alliance are: Anne Arundel Economic Development Corporation, Baltimore Development Corporation, Baltimore County Department of Economic Development, Carroll County Department of Economic Development, Cecil County Office of Economic Development, Harford County Office of Economic Development, and Howard County Economic Development Authority. The state economic development organizations are the Maryland Department of Business and Economic Development, Greater Baltimore Committee, Downtown Partnership of Baltimore.<sup>35</sup>

## Description of the Region

The Greater Baltimore region is comprised of Baltimore city and the following six counties: Anne Arundel, Baltimore, Carroll, Cecil, Hartford, and Howard. While Baltimore is the 20<sup>th</sup> largest metropolitan statistical area (MSA) in the U.S., it is also a part of the Washington-Baltimore consolidated statistical area (CSA), which is a

metropolitan area with a total population of over 8 million. The Greater Baltimore region, which is the target area of the Economic Alliance, encompasses more than 3,100 square miles of land and has a population of nearly 2.7 million. The median age of the region is 37.5; 33.3% of the population hold a bachelor's degree or higher and 14.5% hold an advanced degree. The unemployment rate was 8.7% (in January 2010) and the per capita income in the region is \$45,208. The Gross Metro Product (GMP) in 2008 was \$133 billion; it grew by 28% since 2001.<sup>36</sup>

The Greater Baltimore region is positioned as having a competitive advantage in several key industry clusters: life science (particularly, biotechnology), healthcare, financial services, information technology/defense, and education. The largest industry in terms of employment in the region in 2008 was the trade, transportation, and utilities industry, which made up 18.3% of the total regional employment and had a total employment of 241,300. The region also employs 228,000 in the education and healthcare industries, capturing 60% of the state employment in the education and healthcare sector. The third largest employer is the financial activities sector with 224,600 employees, which account for about a half of the state employment in financial activities industry.<sup>37</sup> The region has added 68,800 jobs and grew 1.7% between 2000 and March of 2010. Between 2000 and 2007, the greatest change in industry employment was found in the education and health services sectors (18%).

Between 2001 and 2006, the Baltimore region experienced a 23.4% increase in the gross regional product. The Baltimore region is ranked 18th in GMP across the country according to the Economic Alliance. The organization identifies the region as growing and expanding its economic anchors. In addition, it has a highly educated population and occupies a strategic Northeast U.S. location between Boston and Washington, D.C. with a vital downtown (one of the top 10 U.S.

<sup>34</sup> Source: Economic Alliance of Greater Baltimore. "Regional Data & Resources". [www.greaterbaltimore.org/report.html](http://www.greaterbaltimore.org/report.html), retrieved June 5, 2009

<sup>35</sup> Source: Economic Alliance of Greater Baltimore. "About the Alliance: State & Local Partners". <http://www.greaterbaltimore.org/About-the-Alliance/State-and-Local-Partners.aspx>, retrieved June 5, 2009

<sup>36</sup> Source: <http://www.greaterbaltimore.org/Regional-Data/Regional-Economy.aspx>

<sup>37</sup> Bureau of Labor Statistics, 2008.

downtowns), a region that merges the Baltimore and Washington, D.C. markets.<sup>38</sup>

### **Economic Alliance's Policies and Other Regional Players**

The main policy focus of the Economic Alliance of Greater Baltimore is centered on business attraction. They use their network of relationships to provide an array of services to companies interested in relocating to the Greater Baltimore region. They apply a comprehensive and strategic approach to their marketing objective. The Economic Alliance focuses on specific industry attraction in sectors where the region holds a competitive advantage and provides an innovation niche attractive to certain industries. The organization uses their broad network of regional partners, consisting of state and city officials, local prominent members of the business community, and university partners to advance the region.

Economic Alliance overlaps in its service area with the Greater Baltimore Committee, which describes itself as "the region's premier organization of business and civic leaders," and which "has focused the resources of its broad membership on the key issues relating to business climate and quality of life in the Greater Baltimore region."<sup>39</sup> The Greater Baltimore Committee was organized in 1955 by a group of Baltimore's leaders who were impressed with Pittsburgh's revitalization of its industrial riverfront through a public-private partnership. The goal of the Greater Baltimore Committee was: "To revive the city, its most precious resource-- land--must be put back to work with bold planning, better organization, and a much faster pace."<sup>40</sup> There have been many prominent, successful projects for Baltimore's Inner Harbor revitalization which also speak to the success of the committee: the Constellation in 1972, Maryland Science Center in

1976, Baltimore Convention Center in 1979, the National Aquarium in 1981, the Ravens Football Stadium in 1998, and these projects have concomitantly attracted businesses and organizations.

Today, the Greater Baltimore Committee is still carrying on a regional economic development agenda and serving Greater Baltimore, which they define as Baltimore city and five surrounding counties (Anne Arundel, Baltimore, Carroll, Harford, and Howard). The committee identifies itself as a member-driven organization that "plays an influential role in developing public strategies for action on key issues."<sup>41</sup> It works through its 12 committees, which include a range of issues from distinct industries, such as the Bioscience Committee, the Health Care Committee, and the Hospitality & Tourism Committee to a broad-range of policy, economic, and natural environment committees such as the Built Environment & Sustainability Committee, the Education & Workforce Committee, and the Legislative Committee.<sup>42</sup>

Over the years, in addition to the Greater Baltimore Alliance, the Greater Baltimore Committee has launched many other programs and organizations working to build a new economic environment and change Baltimore's future. Since 1983, the Leadership Program of Baltimore has been bringing together area leaders "to make good leaders great. Drawn from businesses, nonprofits and governments, each LEADERSHIP class of 50 hand-picked individuals represents the wide diversity that is Baltimore – White, African-American, Hispanic and Asian-American; men and women; city residents and suburbanites – each sharing a common interest in making the Baltimore region the best it can be."<sup>43</sup>

The Development Credit Fund, formed in 1983, became a leading provider of Small Business Administration's loans in Baltimore. The

<sup>38</sup> "Region at a Glance".

<http://www.greaterbaltimore.org/Regional-Data/Region-AtAGlance.aspx>, Retrieved June 5, 2009 and June 7, 2010.

<sup>39</sup> Source: <http://www.gbc.org/page/about-us/>. Accessed June 20, 2009.

<sup>40</sup> Source: [http://www.gbc.org/upload/GBC\\_History2008.pdf](http://www.gbc.org/upload/GBC_History2008.pdf)

<sup>41</sup> Source: <http://www.gbc.org/page/gbc-at-a-glance/>. Reviewed June 18, 2009.

<sup>42</sup> The full list of committees and their goals are at <http://www.gbc.org/page/committees/>

<sup>43</sup> Source: <http://www.theleadership.org/content/aboutus/>. Reviewed June 20, 2009.

CollegeBound Foundation, created in 1988 as a pre-college program helping students get into college, became a unique one-on-one and group advising program that works in Baltimore City's public high schools to assist students with college selection, scholarship awards and financial aid, and applications and testing. Greater Baltimore Council, created in 1999, focuses on three major elements for its members: (1) providing entrepreneurs with "trusted" connections to help resolve their business challenges with funding, technology transfer, workforce training, and other business needs; (2) enabling entrepreneurs and their executive teams to network among peers; and (3) serving as "the Gateway to the region's tech community."<sup>44</sup>

All these organizations still function based on their original goals and continue to add to the innovation ecology of Greater Baltimore. The Greater Baltimore Committee adopted an updated mission of improving "the business climate of the Greater Baltimore region by organizing its corporate and civic leadership to develop solutions to the problems that affect the region's competitiveness and viability."<sup>45</sup> With all these organizations in place, the Economic Alliance of Greater Baltimore plays an important and specific role in shaping the regional innovation ecology.

### Major Types of Services

The Economic Alliance provides five major types of services to companies interested in relocating to the Greater Baltimore region. First, the Alliance is "building cases" for companies that have a strategic incentive to relocate to Baltimore. It provides a thorough analysis of key assets in Baltimore "that can be instrumental in achieving business growth for companies in those sectors."<sup>46</sup>

The second area of services is focused on facilitating the relocation process for businesses coming into the region. Working with the Maryland Department of Business and Economic Development and each of six local jurisdictions encompassing Greater Baltimore area, the Alliance facilitates site selection, obtains some private sector incentives, facilitates building relationships for the new companies with existing Baltimore businesses, helps in customizing job training programs housed in local universities and community colleges, and assists in other stages of the relocation process.

Facilitating private investment is another area of service that the Economic Alliance provides. Having a competitive advantage in life sciences, IT/defense industry, and healthcare services and close partnerships with educational research institutions, federal agencies, and incubator programs provides opportunities to attract venture capital and private equity firms' money to the region.

The Economic Alliance organizes marketing events by taking local elected officials, corporate executives, university representatives, and economic development professionals to other U.S. cities to meet companies interested in relocating to the region. For instance, the Economic Alliance enables their delegations to meet with company leaders and present Baltimore's attractions and competitive advantages during "Baltimore Roadshows."

The Economic Alliance also focuses on creating a national marketing campaign for the region, a national public relations initiative highlighting regional assets, such as companies, universities, federal facilities, and incubator programs in the region.<sup>47</sup>

---

<sup>44</sup> Source: <http://www.gbtechcouncil.org/About-the-Council/Overview.aspx>. Reviewed June 15, 2009.

<sup>45</sup> Source: <http://www.gbc.org/page/about-us/>. Reviewed June 15, 2009.

<sup>46</sup> Source: <http://www.greaterbaltimore.org/about.aspx>

---

<sup>47</sup> "About the Alliance". Reviewed June 15, 2009.

[www.greaterbaltimore.org/report.html](http://www.greaterbaltimore.org/report.html), Retrieved June 5, 2009.

## Tactical Economic Development Profile

The major economic development approach adopted by the Economic Alliance is the attraction of business to the Greater Baltimore region. In the past, the region had an industrial manufacturing economy but that economic base has dissipated. The proximity of Baltimore to the Washington, D.C. area affords them a plentiful pool of educated workforce and makes them a desirable business location. An early focus on creating an attractive business environment and specific industries gave the region a competitive advantage as they were ahead of other locations in bringing key knowledge-intensive industries to the region. In order to capitalize on these assets, the Economic Alliance focused their efforts on promoting the region, helping companies realize a strategic advantage of relocating to the region, and guiding them through the relocation process. Their low business costs and transportation connections to the Washington, D.C. area provide the region prime access to business and government centers which are a huge attraction for industries.

The Economic Alliance has all three levels of institutional partners engaged in policy formation: government, civic, and business organizations. Each of these partners provides a link to further the policy objectives of the Economic Alliance. The Economic Alliance appears to be heavily driven by their business partners with the key institutional players guiding policies concentrated in the private sector. The Economic Alliance's policy, however, is regionally driven and enjoys wide support from key state and federal stakeholders. Although it might be difficult to replicate the economic success of the Economic Alliance due to their unique geographic location, the early effort to broaden economic development beyond business attraction is one of the keys to their success. To what extent this success is solely attributable to their proximity to the national capital is debatable, but undeniable.

## Evaluating and Measuring Success

According to the *Economic Development Progress Report for Greater Baltimore 2000-2007*, the Economic Alliance measures their success based on several variables related to the regional economy. Key economic indicators include gross metropolitan

product (GMP), income growth, employment growth, entrepreneurship, an increase in total office space in the region, home prices and foreclosure rates, and *Smart Growth* through a reduction in sprawl. The regional GMP for the Greater Baltimore region places it as the 43<sup>rd</sup> largest economy in the world. From 2000 to 2005, the region's GMP has grown by over \$26 billion. The Greater Baltimore area was ranked 1<sup>st</sup> for per capita income growth from 2000 to 2005, over 24%, among the 25 largest U.S. metro areas. Among the 25 largest U.S. metro areas, the Greater Baltimore region ranked 8<sup>th</sup> for employment growth from 2000 to 2006. The Washington, D.C.-Baltimore region ranks among the top 10 U.S. markets for entrepreneurship. Including the Washington area in the geography of the region is a unique regional feature and may distort the area's standing in the entrepreneurial environment; however, it reflects the overall climate in this area.

The Economic Alliance changes the scope of the policy area when evaluating different economic indicators, suggesting a willingness to include adjacent regions to increase their regional effectiveness. The Greater Baltimore area increased their total office space by adding 60 million square feet from 2000 to 2006; the vacancy rate fell from 18.1% to 14.2% from 2002 to 2006. The median house price for the Greater Baltimore region increased 83% from 2000 to 2006 and the region has, through local growth management practices, kept the natural boundaries intact and managed to reduce sprawl, thereby maintaining open spaces. The Economic Alliance uses a comparative analysis with other industrial metropolitan regions such as Detroit, Cleveland, and Pittsburgh to measure their economic success and has identified five key factors as drivers of the region's growth: growth out of Greater Washington, highly educated population, growth of economic anchors, resurgence of downtown, lower cost of the Northeast U.S. Corridor location.<sup>48</sup> The Economic Alliance is focusing on the changes of these macroeconomic indicators for the region as a whole and not measuring specific policies they implement.

<sup>48</sup> Economic Alliance of Greater Baltimore. "Economic Development Progress Report for Greater Baltimore 2000-2007", [www.greaterbaltimore.org/Publications/Download-Reports.aspx](http://www.greaterbaltimore.org/Publications/Download-Reports.aspx), Retrieved May 30, 2009

## INNOVATION PHILADELPHIA

Incorporated in 2001, Innovation Philadelphia (IP) was the brainchild of a committee comprised of the mayor of the city of Philadelphia, some of the city's largest employers, and the region's academic institutions. These regional players came together for the purpose of developing a strategic economic policy agenda for the Philadelphia region.<sup>49</sup> IP was charged with the ambitious objective of collaborating with existing economic development organizations of the region to generate new ideas and programs to promote technology and knowledge industries.

### Historical Development

In 1998, Pennsylvania Governor Tom Ridge announced the release of the Technology 21 Report, which described an industry-led project that intended to implement a comprehensive technology policy for Pennsylvania. That program set the stage for Innovation Philadelphia. Among other goals, Technology 21 called for developing a common theme for Pennsylvania's high-tech development and attracting high-tech firms that could potentially become cluster anchors. The IP initiative and especially targeting anchor companies was made possible through the state legislature and was funded through the state budget.

Remarkably, the IP initiative was launched in a time of relative national prosperity. So why did the Philadelphia region engage in a transformative economic agenda when times were good? The answer is that the Philadelphia region faced some significant challenges and these challenges provided the catalytic force necessary to move the IP economic development agenda forward. Although Philadelphia is blessed with some enviable characteristics, such as their long history

and culture of innovation, the economic strengths of the urban core began rapidly declining in the 1990s. The Philadelphia region suffered from the loss of their industrial and manufacturing base; however, this was not the only challenge facing the region in the 1990s.

By the end of the 1990s, according to the 2000 Census, Philadelphia had experienced a decentralization of the urban core, slow regional growth, and structural shifts in the racial composition of the region. The population of the Philadelphia region was aging, evidence of the limited success the region was having in attracting newcomers. The population's low educational attainment also was a threat to the quality of the labor market of the region. In 2000, only 18% of Philadelphians held a college degree, one of the lowest levels of large U.S. cities. Only 56% of working-age adults in Philadelphia were employed or looking for a work in 2000, which was the fourth-lowest percentage among the 100 large cities in the United States.<sup>50</sup>

Facing these challenges galvanized the regional stakeholders to create a regional partnership. A regional committee came together to adopt a regional policy agenda that could grow a knowledge- and technology-based economy in Philadelphia. The region being targeted in this policy initiative crossed three state boundaries, uniting Pennsylvania, New Jersey and Delaware with a common goal. It is comprised of 11 counties, and encompasses the two metropolitan statistical areas (MSAs), Philadelphia-Camden-Wilmington, PA-NJ-DE-MD and Trenton-Ewing, NJ.

<sup>49</sup> Innovation Philadelphia. "IP History", [www.innovationphiladelphia.com/about-us/history.aspx](http://www.innovationphiladelphia.com/about-us/history.aspx), retrieved May 1, 2009

<sup>50</sup> The Brookings Institute Center on Urban and Metropolitan Policy. "Philadelphia in Focus: A Profile from Census 2000", [www.brookings.edu/reports/2003/11\\_livingcities\\_Philadelphia.aspx](http://www.brookings.edu/reports/2003/11_livingcities_Philadelphia.aspx), retrieved May 2, 2009

## Description of the Region

Innovation Philadelphia is an exciting example of regional collaboration. The Greater Philadelphia region that is targeted by Innovation Philadelphia consists of 11 counties (Pennsylvania – Bucks County, Chester County, Delaware County, Montgomery County, Philadelphia County; New Jersey – Burlington County, Camden County, Gloucester County, Mercer County, Salem County; Delaware – New Castle County) with a combined employment base of 306,000. The 11 counties comprise two MSAs, *Philadelphia-Camden-Wilmington, PA-NJ-DE* (hereafter referred to as the Philadelphia MSA) and *Trenton-Ewing, NJ* (referred to as the Trenton MSA). The Philadelphia MSA captures 49.3% of the total employment of state of Pennsylvania and a 61.1% of its gross domestic product (GDP). While boasting a considerable smaller numbers (5.8% of New Jersey’s employment and 5.2% of state’s GDP), the Trenton MSA encompasses the state capital and Princeton University. The per capita income in the Trenton MSA is higher than the national average not only because of the prominent university presence, but also because a key business location for the biotech industry is within commuting distance of New York and Philadelphia.<sup>51</sup>

### Major Initiatives

Innovation Philadelphia (IP) identified innovation and creativity as important determinants for the global economy of the 21<sup>st</sup> century. To ensure Philadelphia’s economic success, IP designed initiatives that embrace the new era of innovation, focusing on emerging industries by attracting and retaining skilled and creative professionals. The major initiatives for IP have been crystallized into four main areas.

The first initiative, “Greater Philadelphia Creative Economy,” was established to position the

Greater Philadelphia region as a global hub for creative businesses and services. IP developed this initiative based on the city’s competitive advantage of having 23% more of art graduate students than the national average; one third of the region’s workforce is in the creative class, and Greater Philadelphia has a historical legacy with the oldest multidisciplinary arts center, oldest theater in the nation, and one of the largest and finest art museums in the nation. The city holds a leading place in various indicators that measure a presence of the arts and creative economy in the region. Developing the Greater Philadelphia Creative Economy initiative involved conducting an economic impact analysis and demonstrating the region’s for-profit creative industries’ economic impact; providing funding sources through the Creative Economy Investment Fund; providing business resources to industry employers, professionals, and entrepreneurs; and forming the Creative Economy Leadership Council to share and exchange ideas and best practices between creative leaders.

The second initiative guiding IP was “Young Professionals,” aimed at attracting young professionals, ages 25 to 34, as a source for generating new ideas. IP is committed to connecting these young people to jobs through career fairs and networking events, promoting regional assets and resources that are appealing to young professionals, and providing the Young Professionals Consortium. The latter is an alliance of innovators and leaders comprised of more than 30 of the region’s young professional organizations, with an opportunity to network, share information about each other’s initiatives, exchange ideas about upcoming events, and identify areas where there is a need for action.

The third initiative of IP was “New Idea Generation,” which supports the development of innovative ideas and programs. IP moderates a blog that allows interactive communication

<sup>51</sup> According to Economy.com, “County Data”, Retrieved April 20, 2009

among diverse audiences from across the globe for a broader understanding of regional topics and a way to find creative solutions for economic and social sustainability.

The final initiative is devoted to creation of an entrepreneurial climate in Philadelphia. IP provides funding opportunities to entrepreneurs with the help of Greater Philadelphia Entrepreneurs' Resource Guide and hosts networking and educational events for entrepreneurs.<sup>52</sup> All these major initiatives have a common thread of developing a creative economy with the arts industries and an entrepreneurial culture in the core.

### Major Types of Services

IP implements the major initiatives through primary programs and services. Among those are the Economy Investment Fund, Business Resources, Creative Economy Leadership Council, Events and Programming, and Marketing and Promotion. Of particular interest are the financial and business assistance that IP provides to life science companies in the region. These assistance programs aid in the technology transfer from Philadelphia universities, promote spinoffs from existing corporations, and facilitate new entrepreneurial ventures.

IP provided several financial and business programs supporting entrepreneurship, business retention, and attracting new life science companies to the Greater Philadelphia Region. Among those are:

*Economic Stimulus Fund* - provides pre-seed and early-stage investment to technology-based companies in the region.

*Mid-Atlantic Angel Fund* - bridges the gap between angel funding and institutional venture capital serving the region.

*Mid-Atlantic Commercialization Corporation* - provides managerial services to help entrepreneurs move from product development

to successful market launch expediently and successfully.

*Research Dollars Fund* - is an online proposal preparation assistance program.

*Innovation Partnership* - assists researchers and early-stage technology companies to gain a greater share of federal grant dollars to develop and commercialize new technologies.

*Greater Philadelphia Global Partners (GP2)* – is an informal consortium of regional organizations that aims at increasing the region's international standing. Three projects were completed by GP2 including the Global Conference Initiative, the Greater Philadelphia International Resource Guide and Web site ([www.GPTWO.com](http://www.GPTWO.com)), and the Global Plan for Greater Philadelphia.

*UNESCO (The University of the Science of Philadelphia and Innovation Philadelphia Collaboration)* – is a public-private partnership to enhance the regional strengths in health sciences and pharmaceutical innovations by establishing international, policy oriented research partnerships at selected sites around the globe.

*CareerPhilly* - is a student retention initiative to entice graduating students to remain in the region as they begin their professional careers. It launched a Web site that contains employment and internship opportunities, company news and profiles, advice to improve job- and internship-seeking skills, and a calendar of events that provides a link for the region's employers, entrepreneurs, and young professionals.

*Creative Economy* – aims at generating human capital. It targets the workforce that create, teach, generate technical innovation, and drive and design change.<sup>53</sup>

Tactically, Innovation Philadelphia has moved well beyond the nascent stages of regional technology-based economic development. Through the multiple initiatives, IP has created a network of linkages and partnerships that unite into a

<sup>52</sup> Innovation Philadelphia. "Initiatives", [www.innovationphiladelphia.com/initiatives/](http://www.innovationphiladelphia.com/initiatives/), retrieved May 2, 2009

<sup>53</sup> According to Foundation Directory Online. "Innovation Philadelphia 990 tax returns", [http://tfcny.fdncenter.org/990\\_pdf\\_archive/260/260006984/260006984\\_200612\\_990.pdf](http://tfcny.fdncenter.org/990_pdf_archive/260/260006984/260006984_200612_990.pdf), retrieved May 2, 2009

consortium for regional economic development. IP focuses on building a regional innovation ecology and applies traditional economic development routines to attract business and new practices of youth engagement and networking to

drive regional growth. Great attention has been paid to understanding the makeup of the region in the initial stage of policy formation; this was the determinant of the IP policy.

### Evaluating and Measuring Success

According to IP's *2008 Creative Footprint Agenda*, the prevalent policies guiding the organization have moved away from merely industry targeting to the adoption of a strategic plan for the distribution of resources to aid in the development of creative industry entrepreneurship. The IP initiative therefore not only identifies innovative ways of growing technology industry sectors, but attempts to assess the impact of its policies on the regional economy. Innovation Philadelphia conducted various economic impact studies in 2007 for the purposes of analyzing tax impacts for-profit creative economy industries, creative economy industry characteristics study, an entrepreneurial

study, a location quotient analysis of the region, a minority participation study, a shift-share analysis, and a university contribution study.<sup>54</sup> In addition, IP also undertakes an ongoing qualitative analysis of its initiatives by applying analytic economic models along with interviews and surveys of economic development agencies, industry associations, universities, and other key regional players to get a broad picture of the regional economy. Lastly, IP does a "best practices analysis" to uncover the successfully implemented policies in the region.<sup>55</sup> These measurement tools provide an opportunity for assessing current and future policies that IP may want to undertake.

---

<sup>54</sup> Innovation Philadelphia. "For Profit Creative Economy Economic Impact Study 2007 Phase1: Quantitative Findings," <http://www.innovationphiladelphia.com/docs/Publications/Creative%20Footprint%20Phase%20I%20-%20FINAL%20REPORT.pdf>, Retrieved June 28, 2010

<sup>55</sup> Innovation Philadelphia. "Creative Footprint: The Economic Impact of the Philadelphia Region's For Profit Creative Economy", [www.innovationphiladelphia.com/about-us/presentations.aspx](http://www.innovationphiladelphia.com/about-us/presentations.aspx), retrieved April 18, 2009

## GREATER PITTSBURGH AND ALLEGHENY CONFERENCE ON COMMUNITY DEVELOPMENT

### INTRODUCTION

The Allegheny Conference on Community Development (ACCD), chartered in 1944, is the umbrella organization of three affiliates that work together for the purpose of stimulating economic growth and improving the Pittsburgh region. The three organizations are the Pittsburgh Regional Alliance (PRA), Pennsylvania Economy League, and the Greater Pittsburgh Chamber of Commerce. In addition, more than 300 companies and organizations make up the Regional Investors Council, which provides time, talent and resources to ACCD. These organizations work together under the sponsorship of ACCD for continuous regional improvement.<sup>56</sup>

### Historical Development

In an effort to bolster regional assets, improve infrastructure, and coordinate regional transportation and environmental improvements in Post-World War II, Pittsburgh embarked on a collaborative effort to develop the regional economy through the ACCD.<sup>57</sup> The organization was officially formed in 1943 as the *Allegheny Conference on Post-War Planning* and was incorporated under its current name in 1944. This new organization served as a prominent coordinating mechanism for civic action, with older private civic organizations providing initial

leadership for the conference until the late 1940s.<sup>58</sup>

The early concern of the ACCD was flood control and air quality improvement. In the 1940s, one of the region's most visible problems was air pollution and business leaders felt that this made the region unattractive for investment and skilled labor. Under the ACCD's leadership, a phased-in implementation of smoke control was enacted as a city policy; also, a comprehensive anti-pollution law was passed for Allegheny County in 1949. Thereafter, all homes in Pittsburgh converted the source of power and heat from coal to either efficient coal furnaces or natural gas.<sup>59</sup> ACCD also pioneered the flood control policy for the Allegheny and Monongahela Rivers by securing funds for the construction of flood control dams and led the development of Point State Park, a major regional asset and tourist attraction.<sup>60</sup>

*Strategy 21: Pittsburgh/Allegheny's Economic Development Strategy* of 1985 provided the groundwork for today's ACCD policy focus and organizational structure. This agenda began the process of joint leadership and coalition building to secure state funding for the region. The mayor of the city of Pittsburgh, the commissioners of Allegheny County, and the presidents of the University of Pittsburgh and Carnegie-Mellon University initiated a joint leadership process for the Strategy 21 agenda and provided the public-

<sup>56</sup> Allegheny Conference on Community Development and its Affiliates. "2008 Annual Report", [www.alleghenyconference.org/PDFs/AnnualReport08.pdf](http://www.alleghenyconference.org/PDFs/AnnualReport08.pdf) retrieved April 30, 2009

<sup>57</sup> According to Post-Gazette Now Business, "Allegheny Conference Chief Aims for Growth", [www.post-gazette.com/pg/09088/958887-28.stm](http://www.post-gazette.com/pg/09088/958887-28.stm), retrieved May 5, 2009

<sup>58</sup> Allegheny Conference on Community Development and its Affiliates. "Conference History", [www.alleghenyconference.org/ConferenceHistory.asp](http://www.alleghenyconference.org/ConferenceHistory.asp)

<sup>59</sup> According to Nunn & Rosentraub, "Dimensions of Interjurisdictional Cooperation", Journal of American Planning Association

<sup>60</sup> Allegheny Conference on Community Development and its Affiliates. "Conference History", [www.alleghenyconference.org/ConferenceHistory.asp](http://www.alleghenyconference.org/ConferenceHistory.asp), retrieved May 5, 2009

private partnership critical to furthering four major policy areas: education and workforce development, regional development, civic organization, and public governance.<sup>61</sup> In 2000, ACCD forged a strategic affiliation with the Greater Pittsburgh Chamber of Commerce, the Pennsylvania Economy League of Southwestern Pennsylvania and the Pittsburgh Regional Alliance. The ACCD and its affiliates work together with public and private partners to stimulate economic growth and improve the quality of life in southwestern Pennsylvania.<sup>62</sup>

### Description of the Region

The Pittsburgh region consists of the city of Pittsburgh and 10 counties: Allegheny, Armstrong, Beaver, Butler, Fayette, Greene, Indiana, Lawrence, Washington, and Westmoreland. The 10-County Pittsburgh region has a combined population of 2,568,381, which accounts for 20.6% of total population of Pennsylvania according to the 2008 American Community Survey.<sup>63</sup> The population demographics indicate that whites occupy 89.3% of the region, with African Americans coming in at a distant second with 7.5%. The Pittsburgh region has experienced a -0.41 % of annual population change from 2000 (2,656,007) to 2008. The per capita income for the region is \$41,171, which is above the average for the state of Pennsylvania (\$39,762) by 3.5%.<sup>64</sup>

According to the Brookings Institution's report, *Blueprint for American Prosperity on the Pittsburgh Metropolitan Area* (consisting of

<sup>61</sup> According to Strategy 21: Pittsburgh/Allegheny Economic Development Strategy to Begin the 21<sup>st</sup> Century

<sup>62</sup> Allegheny Conference on Community Development and its Affiliates. "Conference History", [www.alleghenyconference.org/ConferenceHistory.asp](http://www.alleghenyconference.org/ConferenceHistory.asp), Retrieved May 5, 2009

<sup>63</sup> Data for 9 counties are taken from 1-year estimates of the 2008 American Community Survey. Data for Greene County are taken from 3-year estimates of the 2006-2008 American Community Survey. U.S. Census Bureau, <http://www.census.gov/acs/www/index.html>.

<sup>64</sup> Pittsburgh Regional Alliance. "Regional Data: The Pittsburgh Region", <http://www.alleghenyconference.org/PRA/RegionalData.asp#Regional>.

Armstrong, Allegheny, Beaver, Butler, Fayette, Washington, and Westmoreland), the gross domestic product for 2005 was \$102,053 million, which is equivalent to 0.8% of the U.S. total and 21.0% of Pennsylvania's total. Between 2003 and 2007, the number of manufacturing jobs has fallen by 7,700 jobs or -7.1 % in the region. Human capital in terms of the percentage of adults with bachelor's degrees in the Pittsburgh region was 27.1 % in 2006, which is above that of U.S. average.<sup>65</sup>

According to the Brookings Institution's report, *Pittsburgh: The Road to Reform*, one difficulty facing the Pittsburgh region is their many entities of governments. Although the Pittsburgh region manages consolidated services of some cities and counties, the reality remains that "Metro-Pittsburgh's 400-plus municipalities remain creatures of the commonwealth, not the region - which means that state action will almost certainly be necessary to help the region simplify its cluttered (governmental) map."<sup>66</sup>

### Institutional Format and Organizational Structure

ACCD is a private nonprofit corporation serving the 10-county region of Pittsburgh. Membership of ACCD is comprised of chief executive officers of the region's most significant employers and universities.<sup>67</sup> There are seven officers on the Board of Directors of ACCD, with the chair, John P. Surma. Also, there are 48 members on the ACCD Board, representing cities, towns, townships, public schools, universities, public authorities, foundations, and major corporations in the

<sup>65</sup> According to the Brookings Institution, "Blueprint for American Prosperity: Unleashing the Potential of a Metropolitan Nation. Profile: The Pittsburgh Metropolitan Area", <http://www.brookings.edu/~media/Files/Projects/blueprint/metrosbp/Pittsburghbp.pdf>, Retrieved May 7, 2009.

<sup>66</sup> Brookings Institution. "Pittsburgh: The Road to Reform", [http://www.brookings.edu/opinions/2004/0118metropolitanpolicy\\_katz.aspx](http://www.brookings.edu/opinions/2004/0118metropolitanpolicy_katz.aspx).

<sup>67</sup> Allegheny Conference on Community Development and its Affiliates. "Our Agenda", [www.alleghenyconference.org/Our\\_Agenda.asp](http://www.alleghenyconference.org/Our_Agenda.asp), retrieved May 7, 2009.

region.<sup>68</sup> Membership is self-perpetuating and the sponsoring committee nominates and elects new members to a 4-year term by a plurality of votes, with unlimited consecutive terms. The ACCD Board of Directors has a chair, vice chair, treasurer, secretary, chief executive officer, counsel, and past chair.<sup>69</sup>

## Types of Policies

ACCD is a complex nonprofit corporation dedicated to interjurisdictional cooperation with a broad regional agenda. ACCD has four main strategic-competitiveness priorities:

*Taxes and Regulations: Aims at reducing the tax burden of businesses for the purposes of attracting capital investment and promoting corporate growth in the region.*

*Government Structure: Aims at making the region more efficient and cost effective; seeks opportunities for cooperation among jurisdictions.*

*Infrastructure: Targets improvements in transportation and aims at making the region more competitive by improving connection to markets outside the region.*

*Workforce Quality: Aims to attract and retain a dynamic, skilled and diverse workforce in the Pittsburgh region.*<sup>70</sup>

In addition, ACCD has established a 3-year plan to improve the region by focusing on the above-mentioned goals through simpler, more cost-effective governance, an improved business climate, and by targeting transportation and infrastructure investments, positioning the region

as an attractive workplace for a diverse workforce, and stimulating new business investment.<sup>71</sup>

To attain these goals, ACCD has devised five separate programs of action. The first program focuses on civic policy, which aims at increasing fiscal accountability and the effectiveness of government entities in the region, especially in city-county consolidation, pension reform, state government reform, infrastructure ownership, and shared services. The second program centers on business climate. This program seeks to improve the competitiveness of the region's business investments and growth by promoting competitive business taxes, a comprehensive energy policy and streamlined regulations. The third program is centered on transportation and infrastructure and aims to ensure sufficient and well-planned infrastructure investments in the areas of competitive air service, transit and highways, and public policy. The next action program focuses on the workplace and aims at developing the region to be an attractive workplace, so that it benefits employers and enhances access to jobs for a youthful and diverse workforce. The last program focuses on business investment, which endeavors to promote business expansion and retention in, and attraction to the Pittsburgh region.<sup>72</sup>

## Major Types of Services

ACCD has cultivated relationships with various regional organizations to achieve its objectives in the region. It has partnered with public agencies and nonprofits who are equipped to provide services necessary to further the organizational goals. The public policy priorities of ACCD are accomplished through the Pennsylvania Economy League of Southwestern Pennsylvania. The Economy League is the research affiliate of ACCD, and they provide research and analysis to generate information relevant for business, civic, and governmental leadership of the region. The Economy League maintains a network of private leadership throughout the region to identify

<sup>68</sup> Allegheny Conference on Community Development and its Affiliates. "ACCD Board of Directors", [www.alleghenyconference.org/BoardACCD.asp](http://www.alleghenyconference.org/BoardACCD.asp)

<sup>69</sup> According to Nunn, S. and M. Rosentraub, (1997). "Dimensions of Interjurisdictional Cooperation," Journal of American Planning Association, Vol. 63, No.2, pp.205-219.

<sup>70</sup> Allegheny Conference on Community Development and its Affiliates. "Our Agenda", <http://www.alleghenyconference.org/OurAgenda.asp>, retrieved June 4, 2010.

<sup>71</sup> Source: <http://www.alleghenyconference.org/OurAgenda.asp>

<sup>72</sup> Source: <http://www.alleghenyconference.org/PRA/Default.asp>

problems and opportunities, provides research and analysis to identify best practices for public and private leadership, and develops consensus on programs and solutions that can improve the quality of life in the region by working in partnership with governmental, business, and civic groups.<sup>73</sup> ACCD's public policy objectives are also furthered by the Greater Pittsburgh Chamber of Commerce (GPCC), the de facto advocacy affiliates of the ACCD. The GPCC advocates at the local, state, and federal level for the Pittsburgh region's business climate.<sup>74</sup>

The ACCD's business investment agenda is well known through the Pittsburgh Regional Alliance (PRA). In order to market the region to companies across the world, attract capital, and stimulate job creation, PRA provides one-on-one attention to businesses and provides them with connections to regional partnerships. The PRA provides the services of site selection, market research and analysis, global business and export, financial assistance, individualized project management, regional data, real estate database, publications, and information about the 10-county region.<sup>75</sup>

ACCD has joined with the Regional Investors Council (RIC) to further their leadership agenda, which aims at providing private sector leadership and developing public sector partnerships to improve the Pittsburgh region. RIC is made up of more than 300 business leaders from across the region and provides support and execution of the agenda for regional improvement. Working with many public agencies to implement and develop programs that fit their strategic goals, ACCD also develops new organizations to accomplish special programs if existing organizations are unable or

unwilling to accomplish the task. ACCD is affiliated with eight nonprofit organizations: Pennsylvania Economy League of Southwestern Pennsylvania LLC; Pittsburgh Regional Alliance; Greater Pittsburgh Chamber of Commerce; Greater Pittsburgh Charitable Trust; Event Committee Pittsburgh, Inc.; War for Empire, Inc.; Strategic Regional Developments; Strategic Investment Fund, Inc.<sup>76</sup>

### Economic Development Profile

ACCD is committed to building an innovation ecology in the region. The initial *Strategy 21: Economic Development Strategy to begin the 21<sup>st</sup> Century* centers on industry attraction and capital improvements in the region. The primary focuses of this strategy are to:

*Reinforce the region's traditional economic base as a center for the metals industry and an international corporate headquarters;*

*Convert underutilized land, facilities and labor force components to new uses especially those involving advanced technology;*

*Enhance the region's quality of life, thereby attracting new residents and increasing tourism; and*

*Expand opportunities for women, minorities, and the structural unemployed.*<sup>77</sup>

The success of this policy strategy occurred probably because it was initiated much earlier than most other regional strategies. This strategy was initiated in June of 1985, almost a decade ahead of other regional strategies. This gave Pittsburgh time to mature and develop its policy strategies of regional economic development. The regional strategies moved from industry attraction or "smokestack chasing" to building an innovative ecology. The policy strategy of innovative ecology

<sup>73</sup> Allegheny Conference on Community Development and its Affiliates. "The Economy League", [www.alleghenyconference.org/PEL/Default.asp](http://www.alleghenyconference.org/PEL/Default.asp), retrieved on May 7, 2009

<sup>74</sup> Allegheny Conference on Community Development and its Affiliates. "Pittsburgh Regional Alliance: Economic Development Services", [www.alleghenyconference.org/PRA/EconomicDevService.s.asp](http://www.alleghenyconference.org/PRA/EconomicDevService.s.asp)

<sup>75</sup> Allegheny Conference on Community Development and its Affiliates. "Become a Regional Investor", [www.alleghenyconference.org/BecomeAnInvestor.asp](http://www.alleghenyconference.org/BecomeAnInvestor.asp), retrieved on May 11, 2009

<sup>76</sup> According to Foundation Center Online, "Allegheny Conference on Community Development. 2006 990 Tax Returns", [http://tfcny.fdncenter.org/990\\_pdf\\_archive/250/250965\\_213/250965213\\_200612\\_990.pdf](http://tfcny.fdncenter.org/990_pdf_archive/250/250965_213/250965213_200612_990.pdf), retrieved April 30, 2009

<sup>77</sup> According to Strategy 21: Pittsburgh/Allegheny Economic Development Strategy to Begin the 21<sup>st</sup> Century.

is targeted at building endogenous regional assets to propel industry and innovation in a region by making the Pittsburgh region an attractive place

for business investment. ACCD's effort to create a favorable business climate strengthens the linkage between governments and industry in the region.

## Evaluating and Measuring Success

ACCD has a broad range of goals and its success is measured in accordance with each objective. Its goals are to stimulate new business investments, improve the business climate, attract investment for transportation and infrastructure, provide cost effective governance, and position the region as an attractive workplace for a diverse workforce. The first objective, stimulating new business investments, has had some recent successes; according to the ACCD 2008 Annual Report, PRA has created or retained more than 26,400 jobs and investments equivalent to \$2.2 billion have been made in the region. Another attempt by ACCD to spur new business investment involves worldwide outreach initiatives. In 2008, to market and promote the region globally, ACCD took part in the *Pittsburgh 250 Ambassador Tour of Europe*, in partnership with the Pittsburgh Symphony Orchestra (PSO), which traveled to China, India, Canada, and Sweden.<sup>78</sup>

Recently, ACCD procured a long-term partnership with Flabeg, a global glass processing leader based in Germany, which led to a \$30 million alternative energy investment and 300 new jobs for the region. Generally, ACCD gauges outcomes by the impact on the creation and retention of jobs and the total capital investment that new and existing ventures bring to the region.<sup>79</sup> ACCD is committed to improving the business climate in the region and the benchmark used to measure the effectiveness includes identifying and removing barriers to the business climate. ACCD helped broker *The Electric Generation and Customer Choice Act*, which allows industrial users to negotiate long-term, fixed rate contracts with

electricity providers. Before then, Pennsylvania was at a disadvantage in competing with other states due to electricity deregulation, which hampered industrial investment in the region. Another positive outcome for the business climate in the region was the 2008 comprehensive overhaul of the Allegheny County Health Department (ACHD) duty to issue air quality permits, which will eliminate a backlog of permits and update air monitoring technology and regulations that improve air quality.<sup>80</sup>

One of the goals for ACCD is attracting investments for transportation and infrastructure to the area. Pittsburgh began providing nonstop air service to Europe on June 3, 2009. ACCD facilitated this outcome by convening and staffing the Regional Air Service Partnership, which included the ACCD, the Allegheny County Airport Authority, and the Allegheny County Executive for the purpose of performing market analyses that would demonstrate the high demand for nonstop European service. The *Pittsburgh 2050 Ambassador Tour of Europe* provided the platform for negotiation with Northwest and KLM airlines in Amsterdam. In addition, ACCD spurred the development of the airport area through partnerships with Pittsburgh International Airport, the Tri-County Airport Partnership, and surrounding counties. There are 1,500 acres of shovel-ready sites under development and interstate projects are underway linking traffic flow and access to the airport area business sites.<sup>81</sup>

<sup>78</sup> Allegheny Conference on Community Development. "2008 Annual Report", p.5, [www.alleghenyconference.org/PDFs/AnnualReport08.pdf](http://www.alleghenyconference.org/PDFs/AnnualReport08.pdf) retrieved April 30, 2009.

<sup>79</sup> P.6

<sup>80</sup> P.7

<sup>81</sup> Allegheny Conference on Community Development. 2008 Annual Report. p. 8. Retrieved on April 30, 2009 from <http://www.alleghenyconference.org/PDFs/AnnualReport08.pdf>

ACCD is dedicated to improving the efficiency of governance in the region. The ACT 32 of 2008 streamlined and standardized the earned income tax (EIT) collection by reducing the number of collectors from more than 560 to 69. According to the 2008 ACCD Annual Report, this consolidation has the potential of recouping up to \$237 million in lost revenues annually. This is one of the ACCD's big successes and continues to be a focus of their policy initiatives. ACCD spearheaded this policy initiative through coalition building and advocacy work. ACCD also promotes government consolidation in the region.<sup>82</sup>

Finally, positioning the region as an attractive workplace for a diverse workforce stands at the

forefront of ACCD's objectives. To meet this goal, they launched a new job-posting web site, [www.ImagineMyNewJob.com](http://www.ImagineMyNewJob.com), which automatically retrieves all job postings in the region and makes them available in a single place.

ACCD also launched the Pittsburgh Regional Compact in November, 2007, which coordinates the preparation of students for future jobs across the region through partnerships with employers, educators, and students.<sup>53</sup> These successes are highlighted in the 2008 ACCD Annual Report and they meet the primary policy initiatives guiding ACCD's efforts in the Pittsburgh region.

---

<sup>82</sup> p.9

## THE ECONOMY INITIATIVE FOR SOUTHEAST MICHIGAN

### Introduction

The New Economy Initiative for Southeast Michigan (NEI) is an 8-year initiative aimed at restoring the prosperity of Southeast Michigan and positioning the region as a leader in the new global economy. NEI is supported by ten national, regional and local foundations that have committed \$100 million to stimulate the economy of Southeast Michigan. The original areas of interest for NEI's efforts were attracting talent, innovation, and culture change into the region. In September 2009, the NEI approved three groups, or modules, of activities to connect the NEI areas to the existing work of foundations in the Detroit metropolitan regions; these modules were identified as promoting a successful entrepreneurial eco-system, capitalizing on existing resources, and developing a skilled workforce.<sup>83</sup> NEI is committed to increasing prosperity and expanding opportunity for all residents and communities in the region by providing grants of up to \$1 million. NEI works with local and national economic advisers to accomplish these objectives.<sup>84</sup>

### Historical Development

In 2008, ten local and national foundations launched the New Economy Initiative (NEI) with \$100 million in funding. NEI represents the single, largest, pooled philanthropic investment that a consortium of foundations has made for regional economic development.<sup>85</sup> According to the program description of the initiative, NEI is a philanthropic response to the declining economy of metropolitan Detroit. This initiative was born as a response to the difficult transition which

Southeast Michigan is experiencing with a shift from the manufacturing age to the information age. Southeast Michigan's core business, Detroit-based automobile manufacturing, has declined rapidly, and this has resulted in increasing poverty and unemployment and declining per capita income. In an effort to stem these trends, the public and private sectors have encouraged a transition to the knowledge-based economy. NEI is the result of this concerted effort to restructure the regional economy of Southeast Michigan.

The Community Foundation of Southeast Michigan initiated the NEI collaborative and serves as its administrative agent. NEI is overseen by its Governing Council, which sets strategic directions for NEI while its Council of Economic Advisors provides expertise, a national direction and perspective for NEI. The ten national and local foundations participating in NEI are:

- *Community Foundation for Southeast Michigan, Detroit*
- *Max M. and Marjorie S. Fisher Foundation, Southfield*
- *Ford Foundation, New York*
- *Hudson-Webber Foundation, Detroit*
- *W.K. Kellogg Foundation, Battle Creek*
- *John S. and James L. Knight Foundation, Miami*
- *The Kresge Foundation, Troy*
- *McGregor Fund, Detroit*
- *C.S. Mott Foundation, Flint*
- *Skillman Foundation, Detroit*

The purpose of this 8-year regional initiative is to foster economic growth by accelerating the transition of Southeast Michigan to an innovation-based economy. NEI's vision is to restore Southeast Michigan to its position as a prosperous region where all residents have the opportunity to thrive in the new innovation-based economy. NEI

<sup>83</sup> The New Economy Initiative for Southeast Michigan, Fact Sheet.

<http://neweconomyinitiative.cfsem.org/media-center/fact-sheet>, retrieved June 7, 2010

<sup>84</sup> The New Economy Initiative for Southeast Michigan. "About Us", [www.neweconomyinitiative.org](http://www.neweconomyinitiative.org), retrieved May 13, 2009

<sup>85</sup> According to C.P. Ramsey, "High Stakes for SE Michigan", *Metromode*, [www.metromodemedia.com](http://www.metromodemedia.com), retrieved June 8, 2009

emphasizes the need to expand economic opportunities for all. The initiative recognizes the economic marginalization of some racial and ethnic minorities and strives for their inclusion in the transition to an innovation economy in Southeast Michigan.<sup>86</sup>

While in its developmental stages, the NEI is in the process of collecting quantitative and qualitative data to align their strategic goals with the economic realities facing Southeast Michigan. According to the report *Accelerating the Transition of Metro Detroit to an Innovation-Based Economy*, through quantitative and qualitative analyses, the NEI hopes to initiate a process that will develop a baseline assessment of desired outcomes in order to improve and modify performance, track progress toward the NEI's short-term and intermediate term outcomes, assess the impact of NEI's work in the community, and report ongoing success or failure of the initiative.

John Austin was named the first Executive Director of the NEI. He was a senior fellow in the Metropolitan Policy Program at the Brookings Institution and vice president of Michigan State Board of Education. Austin designed and implemented a multiyear, multistate initiative to develop a successful economic vision and action agenda for the Great Lakes Region.<sup>87</sup>

## Description of the Region

Southeast Michigan has been firmly embedded in the auto manufacturing industry and is now contending with the rapid decline of this sector. Historically, Southeast Michigan has had a labor force dominated by workers in low-skill, high-paying manufacturing jobs. The Center for Local, State, and Urban Policy at University of Michigan reported that the state of Michigan has lost

approximately 111,900 auto-related jobs between the end of 2000 and the first quarter of 2005. During the same period, there has been an increase in service sector jobs. In addition, the nature of jobs in the region shifted to knowledge-intensive areas, meaning that automobile-related employment became more concentrated in management and research and development. In the past, the state had average wages higher than the national average due to the unionization of the automobile industry; this earnings history posed a challenge to workforce development systems seeking employment for dislocated blue-collar workers accustomed to high wages.<sup>88</sup>

## Types of Policies

There are three modules of activities on which the New Economy Initiative (NEI) centers its efforts in addition to their original focus to attract talent, innovation, and culture change. In September 2009, the NEI identified the need to provide grants related to: (1) promoting an entrepreneurial eco-system; (2) capitalizing on existing assets and resources; and (3) developing a skilled workforce. To promote an entrepreneurial eco-system, the NEI invested in five areas: entrepreneurial training and education; connecting entrepreneurs to needed resources; increasing university technology transfer from concept to market; improving access to capital; and promoting an entrepreneurial culture.

Another module of activity that the NEI focuses on is capitalizing on existing assets and resources. NEI provides modest funds to research opportunities that support the existing infrastructure and regional leadership. These projects may become initiatives within other modules of the entrepreneurial eco-system or workforce development. For instance, creative economy activities and manufacturing design activities supported by NEI funding became an entrepreneurial module initiative; and the NEI-funded university internship program, conceived as the initiative of capitalizing on existing assets, became an addition to the workforce module of

<sup>86</sup> The New Economy Initiative for Southeast Michigan. "Accelerating the Transition of Metro Detroit to an Innovation-Based Economy", [www.neweconomyinitiative.org](http://www.neweconomyinitiative.org), retrieved May 13, 2009

<sup>87</sup> According to the Council of Michigan Foundations, "New Economy Initiative Appoints John Austin as First Executive Director", [www.neweconomyinitiative.org](http://www.neweconomyinitiative.org), retrieved June 8, 2009

<sup>88</sup> Source: <http://closup.umich.edu/policy-reports/>, retrieved June 8, 2009

initiative. NEI, also provides grants to develop strategies to grow broader logistic and trade opportunities for the region.

The third NEI module focuses on workforce development to attract and retain talented, educated young people. NEI has strategies for workforce development, which include the following activities:

*to support strategies and programs that build on a sector approach to employment in advanced manufacturing, alternative energy, defense/homeland security, healthcare, transportation distribution, and logistics sectors;*

*to improve the coordination and effectiveness of the regional workforce system;*

*to provide information and research;*

*to bring together workforce leaders and employer leaders; to develop governmental policies to support Southeast Michigan;*

*to develop and receive matching and augmenting funds for workforce development from foundations, and federal and state grants.<sup>89</sup>*

These initiatives are executed with the help of funding and the support of various projects that help to achieve the goals of each area of activity.<sup>90</sup>

## Major Types of Services

The primary service of the NEI is grantmaking. Potential grant applicants are evaluated on thirteen criteria. According to the grantmaking guidelines in the program report of the NEI, grant applications are judged on the following key criteria:

*Transformational* – How does the proposed project have the potential to influence the long-term transformation of the regional economy?

<sup>89</sup> The New Economy Initiative for Southeast Michigan. “Grants” <http://neweconomyinitiative.cfsem.org/grants>. Retrieved on June 7, 2010.

<sup>90</sup> The New Economy Initiative for Southeast Michigan. “Accelerating the Transition of Metro Detroit to an Innovation-Based Economy”. [www.neweconomyinitiative.org](http://www.neweconomyinitiative.org), Retrieved on May 13, 2009

*Impact* – How will the project produce measurable and/or observable results at the level of significance that can affect the metrics established by the New Economy Initiative to track its progress?

*Scalability* – To what extent do the outcomes of the proposed project have the potential to be “taken to scale” within the region, and thus have regional impact? How could this occur? Is the project replicable?

*Inclusiveness* – How will the proposed project produce positive outcomes for minorities, low-wealth individuals, and other underserved persons? How will the project measure the success of these efforts?

*Geography* – What will the geographic footprint of the project’s impact be? Will the project have a broad regional impact? If not, how does the proposed activity fit within a vision of regional change?

*Leverage* – How will the proposed project attract substantial additional resources other than those requested from the New Economy Initiative?

*Sustainability* – If appropriate, is the project financially sustainable beyond the New Economy Initiative grant period? How will this sustainability occur?

*Southeast Michigan* – To what extent is the impact of the proposed project likely to have long-term implications for Southeast Michigan? Is it possible that the project or its impact will leave Southeast Michigan?

*New generation of leaders* – Will the proposed project help attract and/or retain young talented leaders to the region, and will it help build a network of young leaders? If so, how will this occur?

*Youth* – To what extent will your project focus on youth and young adults, ages 14 to 39?

*Evaluation* – What do you expect to achieve with your New Economy Initiative grant? What measurable or observable outcomes will you track? How will you evaluate the success of your proposed project? How will you organize program

results to improve your own work through continuous learning and improvement?

*Publicizing your success* – How will you communicate to your constituencies and the larger region of the nature of the work you propose to undertake and the successes you will achieve? How will you explain that your work is part of a larger regional effort by the New Economy Initiative and others to transform the regional economy?

*Culture change* – How will you promote the story of the transformation of Southeast Michigan through marketing, public relation, education, and other activities?<sup>91</sup>

### **Tactical Economic Development Profile**

The NEI is a fresh approach to regional economic development because it is as much a social policy tool as it an economic policy tool. It places emphasis on the social inclusion of marginalized and underrepresented races and ethnicities and seeks to engage them in the new regional innovation economy. Another divergent quality of the NEI is that it has a timeframe or expiration date. This is to be an 8-year regional initiative with no funding source committed beyond the time frame. The dual nature of the initiative differentiates the NEI's tactical approach to economic development to other regional initiatives studied thus far. The NEI has developed ten strategies to achieve its three objectives. The ten strategies found in the NEI's policy report are as follows:

*Capitalize on workforce and educational programs so they are more effective in helping those already in the labor force succeed in the innovation-based economy in the city and region.*

*Expand broad and systemic opportunities for young residents of the region and city so they are able to access, persist, and succeed in postsecondary education programs.*

*Create and enhance residential and live/work places in the city and region that attract and retain young skilled workers and that connect them to opportunities.*

*Provide unique leadership opportunities in for-profit and nonprofit enterprises for a select group of talented young adults in the city and region and coordinate the networking of this group and other young leaders.*

*Improve technology transfer from university, health care, and corporate labs in city and region.*

*Train and retain promising young entrepreneurs and support the development of young leaders in for-profit and nonprofit enterprises in the city and region.*

*Support innovation within new and existing industry clusters in the city and region, and support the systems that foster innovation, such as business accelerator networks, minority business support centers, and coordination of capital sources,*

*Educate the region regarding the nature of the global economy and how metro Detroit must prosper to compete within it.*

*Launch a social marketing campaign using old and new media to reach targeted audiences on issues of regionalism, lifelong learning, innovation, job skills, and college attendance and completion. A key message should be: "Learning and skill development is fun, exciting and rewarding for people of all ages."*

*Engage in broad advocacy for policies that support the goal of the New Economy Initiative, including policies that affect (a) innovation in new and existing enterprises, (b) business attraction, (c) education and workforce outcomes, and (d) neighborhoods/communities that are welcoming to creative and diverse young people.<sup>92</sup>*

<sup>91</sup> The New Economy Initiative for Southeast Michigan. "Accelerating the Transition of Metro Detroit to an Innovation-Based Economy", [www.neweconomyinitiative.org](http://www.neweconomyinitiative.org), retrieved May 13, 2009

<sup>92</sup> The New Economy Initiative for Southeast Michigan. "Accelerating the Transition of Metro Detroit to an Innovation-Based Economy", [www.neweconomyinitiative.org](http://www.neweconomyinitiative.org), retrieved May 13, 2009

## **Evaluating and Measuring Success**

NEI has developed a specific series of measurement matrices to evaluate its success. The rate of change is monitored in per capita income, both overall and by race/ethnicity; percentage of population, ages 24 to 35, with college degrees, overall and by race/ethnicity; percent of population with high-wage jobs, overall and by race/ethnicity; percentage of population who have confidence in the future of the region.<sup>93</sup>

It should be noted that these economic indicators are by no means exhaustive and represent only an initial effort at evaluating the impact NEI is exerting on the Southeast Michigan region. It is also noteworthy that the NEI focus is on tracking the economic outcome of the population by race

and ethnicity; this is a departure from most other regional initiatives followed in this study. The fact that the NEI outcomes are explicitly evaluated by race and ethnicity signals a willingness to gauge the policy impact on minority and underrepresented minor ethnic and racial groups.

This appears to be a very inclusionary and comprehensive approach to regional economic development, an approach quite divergent from the norm in economic development. Although this initiative is in its infancy, it nonetheless strives to build innovation ecology in the region, and even though it is limited to grantmaking, the guiding principles are structured to be inclusionary and far-reaching in building a structural, regional framework to support the knowledge-based economy of tomorrow. This will undoubtedly be an interesting initiative to follow in future years.

---

<sup>93</sup> According to Reuters.com, "New Economy Initiative Launches \$100 Million Effort to Strengthen Southeast Michigan, Retrieved June 8, 2009

## APPENDIX

TABLE A1. LIST OF TECHNOLOGY-BASED ECONOMIC DEVELOPMENT INITIATIVES

States	Organization	Website
Arizona	Arizona Technology Council	<a href="http://www.aztechcouncil.org/CWT/External/WCPages/index.aspx">http://www.aztechcouncil.org/CWT/External/WCPages/index.aspx</a>
	Southern Arizona Tech Council	<a href="http://www.satc-az.com/static/index.cfm?contentID=90">http://www.satc-az.com/static/index.cfm?contentID=90</a>
	Southern Arizona High Tech Connection	<a href="http://www.sazhightechconnect.com/">http://www.sazhightechconnect.com/</a>
	The Governor's Council on Innovation and Technology	<a href="http://www.gcit.az.gov/">http://www.gcit.az.gov/</a>
	Tucson Regional Economic Opportunities	<a href="http://www.treoaz.com/index.aspx">http://www.treoaz.com/index.aspx</a>
	Government Information Technology Agency	<a href="http://www.azgita.gov/">http://www.azgita.gov/</a>
	Technology Commercialization Resource Directory	<a href="http://tcrd.arizona.edu/">http://tcrd.arizona.edu/</a>
California	California Economic Strategy Panel	<a href="http://www.labor.ca.gov/panel/">http://www.labor.ca.gov/panel/</a>
	California Innovation Corridor	<a href="http://www.innovatecalifornia.net/">http://www.innovatecalifornia.net/</a>
	Center for Energy Resource and Economic Sustainability	<a href="http://are.berkeley.edu/~dwrh/CERES_Web/index.html">http://are.berkeley.edu/~dwrh/CERES_Web/index.html</a>
	California Council on Science and Technology	<a href="http://www.ccst.ucr.edu/annualreport/index.php">http://www.ccst.ucr.edu/annualreport/index.php</a>
	National Accelerator Laboratory	<a href="http://www.slac.stanford.edu/">http://www.slac.stanford.edu/</a>
	San Diego Regional Economic Development Corporation	<a href="http://www.sandiegobusiness.org/Data-and-Demographics.aspx">http://www.sandiegobusiness.org/Data-and-Demographics.aspx</a>
	UC-San Diego Connect	<a href="http://www.connect.org/about/">http://www.connect.org/about/</a>
Colorado	Colorado Technology Center	<a href="http://coloradotechnologycenter.com/">http://coloradotechnologycenter.com/</a>
	Colorado's Technology Association	<a href="http://www.coloradotechnology.org/">http://www.coloradotechnology.org/</a>
	Colorado Bioscience Corridor	<a href="http://www.cobioscience.com/">http://www.cobioscience.com/</a>
	Larimer Bioscience Cluster	<a href="http://www.larimerbioscience.org/">http://www.larimerbioscience.org/</a>
	Northern Colorado Economic Development Corporation	<a href="http://www.ncedc.com/">http://www.ncedc.com/</a>
	Colorado Nanotechnology Association	<a href="http://coloradonanotechnology.org/home/">http://coloradonanotechnology.org/home/</a>
Connecticut	The Connecticut Technology Council	<a href="http://www.ct.org/About_CTC.asp">http://www.ct.org/About_CTC.asp</a>
	Connecticut Innovations	<a href="http://www.ctinnovations.com/about/about.php">http://www.ctinnovations.com/about/about.php</a>
Delaware	Delaware Valley Industrial Resource Center	<a href="http://www.cceconomicdevelopment.com/service_dvir.html">http://www.cceconomicdevelopment.com/service_dvir.html</a>
Florida	Florida High Tech Corridor	<a href="http://www.floridahightech.com/">http://www.floridahightech.com/</a>
	Florida Alternative Energy	<a href="http://www.moffittcancercenter.org/">http://www.moffittcancercenter.org/</a>
Georgia	Georgia Centers of Innovation	<a href="http://www.georgiainnovation.org/highlights">http://www.georgiainnovation.org/highlights</a>
	Georgia Research Alliance	<a href="http://www.gra.org/">http://www.gra.org/</a>
Idaho	Idaho National Laboratory	<a href="https://inlportal.inl.gov/portal/server.pt?open=512">https://inlportal.inl.gov/portal/server.pt?open=512</a>

		<a href="#">&amp;objID=255&amp;mode=2</a>
	Idaho Tech Connect	<a href="http://www.idahotechconnect.com/">http://www.idahotechconnect.com/</a>
	Idaho Economic Development Association	<a href="http://www.ieda.biz/Media_Relations/The_Power_of_Idaho_White_Paper/">http://www.ieda.biz/Media_Relations/The_Power_of_Idaho_White_Paper/</a>
	The Center for Advanced Energy Studies	<a href="https://inlportal.inl.gov/portal/server.pt?open=512&amp;objID=281&amp;mode=2">https://inlportal.inl.gov/portal/server.pt?open=512&amp;objID=281&amp;mode=2</a>
	Peoria Next	<a href="http://www.peorianext.org/index.php">http://www.peorianext.org/index.php</a>
	Biotechnology Research and Development Corporation	<a href="http://www.biordc.com/">http://www.biordc.com/</a>
Illinois	Economic Development Council for Central Illinois	<a href="http://www.edc.centralillinois.org/">http://www.edc.centralillinois.org/</a>
	Tri-County Regional Planning Commission	<a href="http://www.tricountyrpc.org/">http://www.tricountyrpc.org/</a>
	Renaissance Park	<a href="http://www.renaissanceparkpeoria.com/aboutus.htm">http://www.renaissanceparkpeoria.com/aboutus.htm</a>
	Northern Illinois Technology Enterprise Center	<a href="http://www.nitec.niu.edu/nitec/working/successstories.shtml">http://www.nitec.niu.edu/nitec/working/successstories.shtml</a>
	Illinois Technology Development Alliance	<a href="http://www.itda.biz/content.aspx?page_id=22&amp;club_id=541115&amp;module_id=49666">http://www.itda.biz/content.aspx?page_id=22&amp;club_id=541115&amp;module_id=49666</a>
Iowa	Cedar Rapids Iowa City Technology Corridor	<a href="http://www.tech-corridor.com/corridor/info/">http://www.tech-corridor.com/corridor/info/</a>
Kansas	Kansas Technology Enterprise Corporation	<a href="http://www.ktec.com/index_NoFlash.htm">http://www.ktec.com/index_NoFlash.htm</a>
Maine	Maine Science and Technology Foundation (MSTF)	<a href="http://www.state.me.us/newsletter/feb2001/main_e_science_and_technology_fou.htm">http://www.state.me.us/newsletter/feb2001/main_e_science_and_technology_fou.htm</a>
	Maine's Technology Centers	<a href="http://www.techcentersmaine.com/">http://www.techcentersmaine.com/</a>
	Maine's Center for Enterprise Development	<a href="http://www.mced.biz/">http://www.mced.biz/</a>
	Loring Commerce Center	<a href="http://www.loring.org/">http://www.loring.org/</a>
	Massachusetts Technology Collaborative	<a href="http://www.masstech.org/">http://www.masstech.org/</a>
Massachusetts	Massachusetts Biotechnology Council (MBC)	<a href="http://www.massbio.org/">http://www.massbio.org/</a>
	Technology Road Map and Strategic Alliances	<a href="http://www.massinsight.com/scitech_roadmap.asp">http://www.massinsight.com/scitech_roadmap.asp</a>
	MassInsight Corporation	<a href="http://www.massinsight.com/">http://www.massinsight.com/</a>
	John Adams Innovation Institute	<a href="http://www.masstech.org/institute/index.htm">http://www.masstech.org/institute/index.htm</a>
	Massachusetts Technology Transfer Center	<a href="http://www.mattcenter.org/">http://www.mattcenter.org/</a>
	Pioneer Valley Life Sciences Institute	<a href="http://www.pvlisi.org/">http://www.pvlisi.org/</a>
	Institute for Technology Entrepreneurship	<a href="http://www.bu.edu/itec/">http://www.bu.edu/itec/</a>
	MIT Deshpande Center	<a href="http://web.mit.edu/deshpandecenter/">http://web.mit.edu/deshpandecenter/</a>
	Bio Economic Technology Alliance of Umass	<a href="http://www.umass.edu/research/rld/resources/associations.htm">http://www.umass.edu/research/rld/resources/associations.htm</a>
	Massachusetts Technology Development	<a href="http://www.mtdc.com/">http://www.mtdc.com/</a>
	BioSquare	<a href="http://www.bu.edu/biosquare/welcome/welcome.html">http://www.bu.edu/biosquare/welcome/welcome.html</a>
	Massachusetts Biomedical Initiatives	<a href="http://www.massbiomed.org/">http://www.massbiomed.org/</a>
	MassDevelopment	<a href="http://www.massdevelopment.com/">http://www.massdevelopment.com/</a>
	Regional Technology Development	<a href="http://www.regionaltechcorp.org/organization.html">http://www.regionaltechcorp.org/organization.html</a>

	Regional Technology Corridor	<a href="http://rtacentral.com/index.php">http://rtacentral.com/index.php</a>
	Hartford-Springfield Economic Partnership	<a href="http://www.hartfordspringfield.com/">http://www.hartfordspringfield.com/</a>
Minnesota	Biomedical Consortium	<a href="http://www.biomedicalconsortium.org/home.aspx">http://www.biomedicalconsortium.org/home.aspx</a>
	BioBusiness Alliance of Minnesota	<a href="http://www.deed.state.mn.us//biozone/">http://www.deed.state.mn.us//biozone/</a>
	Lifescience Clinic	<a href="https://www.lifesciencealley.org/default.aspx">https://www.lifesciencealley.org/default.aspx</a>
Missouri	St. Louis Bio Belt	<a href="http://www.stlrcga.org/biobelt.xml">http://www.stlrcga.org/biobelt.xml</a>
Michigan	West Michigan Strategic Alliance	<a href="http://www.wm-alliance.org/partners.php?initiative_id=7">http://www.wm-alliance.org/partners.php?initiative_id=7</a>
	Innovation Works	<a href="https://www.innovationworkswestmichigan.com/default.aspx">https://www.innovationworkswestmichigan.com/default.aspx</a>
	Entrepreneurial League System	<a href="http://www.entreleaguesystem.com/">http://www.entreleaguesystem.com/</a>
New Mexico	Regional Development Corporation	<a href="http://www.rdcnm.org">www.rdcnm.org</a>
Nevada	Northern Nevada Development Authority	<a href="http://www.nnda.org/aboutus.aspx">http://www.nnda.org/aboutus.aspx</a>
New York	New York State Foundation for Science, Technology and Innovation (NYSTAR)	<a href="http://www.nystar.state.ny.us/">http://www.nystar.state.ny.us/</a>
	Regional Technology Development Centers (RTDC)	<a href="http://www.nystar.state.ny.us/rtdcs.htm">http://www.nystar.state.ny.us/rtdcs.htm</a>
	Alliance for Manufacturing & Technology	<a href="http://www.amt-mep.org/">http://www.amt-mep.org/</a>
	Center for Economic Growth	<a href="http://www.ceg.org/">http://www.ceg.org/</a>
	Central New York Technology Development Organization (CNYTDO)	<a href="http://www.cnytdo.org/">http://www.cnytdo.org/</a>
	Council for International Trade, Technology, Education and Communication	<a href="http://www.citec.org/">http://www.citec.org/</a>
	New York Tech Valley	<a href="http://www.techvalley.org/">http://www.techvalley.org/</a>
	Hudson Valley Technology Development Center (HVTDC)	<a href="http://www.hvtdc.org/">http://www.hvtdc.org/</a>
	Industrial & Technology Assistance Corporation (ITAC)	<a href="http://www.itac.org/">http://www.itac.org/</a>
	Long Island Forum for Technology (LIFT)	<a href="http://www.lift.org/">http://www.lift.org/</a>
Ohio	Third Frontier Project	<a href="http://www.ohiochannel.org/your_state/third_frontier_project/index.cfm">http://www.ohiochannel.org/your_state/third frontier_project/index.cfm</a>
	The Biomedical Research and Commercialization Program of Ohio	<a href="http://medicalcenter.osu.edu/research/partnerships/state/Pages/index.aspx">http://medicalcenter.osu.edu/research/partnerships/state/Pages/index.aspx</a>
	Ohio's Thomas Edison Program	<a href="http://www.odod.state.oh.us/tech/edison/tiedincu.htm">http://www.odod.state.oh.us/tech/edison/tiedincu.htm</a>
	Omeris	<a href="http://www.bioohio.com/">http://www.bioohio.com/</a>
	Ohio Venture Capital Program	<a href="http://development.ohio.gov/tech/ovca/">http://development.ohio.gov/tech/ovca/</a>
	Strategic Business Investment Division of the State of Ohio	<a href="http://development.ohio.gov/edd/">http://development.ohio.gov/edd/</a>
	Jumpstart	<a href="http://www.jumpstartinc.org/">http://www.jumpstartinc.org/</a>
	TechColumbus/BTC	<a href="http://osu-btc.com/">http://osu-btc.com/</a>
	BioEnterprise of Cleveland	<a href="http://www.bioenterprise.com/">http://www.bioenterprise.com/</a>
	BioStart	<a href="http://www.biostart.org/biostart.htm">http://www.biostart.org/biostart.htm</a>

	Akron Industrial Incubator	<a href="http://www.ci.akron.oh.us/aii/">http://www.ci.akron.oh.us/aii/</a>
	MidTown Technology Center	<a href="http://www.midtowntechnologycenter.com/">http://www.midtowntechnologycenter.com/</a>
	NorTech	<a href="http://www.nortech.org/">http://www.nortech.org/</a>
	Battelle	<a href="http://www.battelle.org/SPOTLIGHT/news_archives/archive_00/09-20-00iMEDD.aspx">http://www.battelle.org/SPOTLIGHT/news_archives/archive_00/09-20-00iMEDD.aspx</a>
	TeamNeo	<a href="http://www.teamneo.org/">http://www.teamneo.org/</a>
	Northeast Ohio Council on Higher Education	<a href="http://www.college360.org/pdf/AboutNOCHE.pdf">http://www.college360.org/pdf/AboutNOCHE.pdf</a>
	Cincinnati USA Partnership for Economic Development	<a href="http://www.cincinnatiusa.org/econ.aspx">http://www.cincinnatiusa.org/econ.aspx</a>
	Ohio Capital Fund	<a href="http://www.theohiocapitalfund.com/">http://www.theohiocapitalfund.com/</a>
	The Ohio Venture Capital Authority (OVCA)	<a href="http://www.development.ohio.gov/tech/ovca/ovca.htm">http://www.development.ohio.gov/tech/ovca/ovca.htm</a>
	Oklahoma	Oklahoma Center for Advancement of Science and Technology
Pennsylvania	Ben Franklin Technology Partners	<a href="http://www.benfranklin.org/about/pa_tech_strategy.asp">http://www.benfranklin.org/about/pa_tech_strategy.asp</a>
	The State Technology Economic Development Website	<a href="http://www.newpa.com/build-your-business/locate/key-industries/high-technology/technology-based-economic-development-partners/index.aspx">http://www.newpa.com/build-your-business/locate/key-industries/high-technology/technology-based-economic-development-partners/index.aspx</a>
	Center for E-business and Advanced IT	<a href="http://www.ebizitpa.org/">http://www.ebizitpa.org/</a>
	Green Building Alliance	<a href="http://www.gbapgh.org/">http://www.gbapgh.org/</a>
	Pennsylvania Green Growth Partnership	<a href="http://www.paggp.org/">http://www.paggp.org/</a>
	BioAdvance	<a href="http://www.bioadvance.com/">http://www.bioadvance.com/</a>
	Idea Foundry	<a href="http://www.ideafoundry.org/">http://www.ideafoundry.org/</a>
	Life Sciences Greenhouse	<a href="http://www.lsgpa.com/index.cfm">http://www.lsgpa.com/index.cfm</a>
	Pennsylvania Technical Assistance Program (PennTAP)	<a href="http://www.penntap.psu.edu/">http://www.penntap.psu.edu/</a>
	IRC Network	<a href="http://www.pairc.net/">http://www.pairc.net/</a>
	The Technology Collaborative (TTC)	<a href="http://www.techcollaborative.org/">http://www.techcollaborative.org/</a>
	Innovation Partnership	<a href="http://www.innovationpartnership.net/">http://www.innovationpartnership.net/</a>
	Pittsburgh Life Sciences Greenhouse (PLSG)	<a href="http://www.pittsburghlifesciences.com/">http://www.pittsburghlifesciences.com/</a>
	Keystone Innovation Zone (KIZ)	<a href="http://www.newpa.com/find-and-apply-for-funding/funding-and-program-finder/funding-detail/index.aspx?progId=56">http://www.newpa.com/find-and-apply-for-funding/funding-and-program-finder/funding-detail/index.aspx?progId=56</a>
	Great Valley Alliance	<a href="http://greatvalleyalliance.com/home.html">http://greatvalleyalliance.com/home.html</a>
Innovation Philadelphia	<a href="http://www.innovationphiladelphia.com/about-us/history.aspx">http://www.innovationphiladelphia.com/about-us/history.aspx</a>	
South Carolina	Advanced Technology Institute (ATI)	<a href="http://www.aticorp.org/about_ati.html">http://www.aticorp.org/about_ati.html</a>
	South Carolina Research Authority (SCRA)	<a href="http://www.aticorp.org/about_ati.html">http://www.aticorp.org/about_ati.html</a>

	South Carolina Economic Developers Association	<a href="http://www.sceda.org/">http://www.sceda.org/</a>
Tennessee	Tennessee Valley Corridor	<a href="http://www.tennvalleycorridor.org/">http://www.tennvalleycorridor.org/</a>
Texas	Texas Emerging Technology Fund	<a href="http://www.texasone.us/site/PageServer?pagename=tetf_homepage">http://www.texasone.us/site/PageServer?pagename=tetf_homepage</a>
	North Texas Regional Center for Innovation and Commercialization (NTXRCIC)	<a href="http://www.ntxrcic.org/">http://www.ntxrcic.org/</a>
	North Texas Enterprise Center for Medical Technology	<a href="http://www.ntec-inc.org/content-services-locations.asp">http://www.ntec-inc.org/content-services-locations.asp</a>
	Frisco Economic Development Corporation	<a href="http://www.friscoedc.com/">http://www.friscoedc.com/</a>
	North Texas Technology Council	<a href="http://www.nttc.ws/FAQs.html#whatisnttc">http://www.nttc.ws/FAQs.html#whatisnttc</a>
	San Antonio Technology Accelerator Initiative	<a href="http://www.satai-network.com/">http://www.satai-network.com/</a>
Virginia	Center for Innovative Technology	<a href="http://www.cit.org/">http://www.cit.org/</a>
	Competitive Technologies	<a href="http://www.competitivetech.net/">http://www.competitivetech.net/</a>
	NewVA Corridor Tech Council	<a href="http://www.thetechnologycouncil.com/contact/">http://www.thetechnologycouncil.com/contact/</a>
West Virginia	Regional Economic Development Partnership	<a href="http://www.redp.org/advantages.php?id=4">http://www.redp.org/advantages.php?id=4</a>
	Virginia's Region 2000 Partnership	<a href="http://www.region2000.org/">http://www.region2000.org/</a>
Washington	Connect Northwest	<a href="http://www.connectnw.org/contactus.aspx">http://www.connectnw.org/contactus.aspx</a>

**TABLE A2. REGIONAL TECHNOLOGY-BASED ECONOMIC DEVELOPMENT INITIATIVES/ORGANIZATIONS**

Name of the Initiative/Organization	State	Geographic Boundaries of the Region
Southern Arizona High Tech Corridor	Arizona	Tucson MSA
Connect	California	San Diego-Carlsbad-San Marcos CA MSA
The Northern Colorado Development Corporation	Colorado	Fort Collins-Loveland CO MSA
Florida High Tech Corridor	Florida	Tampa-St. Petersburg-Clearwater FL MSA
		Orlando FL MSA
		Sarasota-Bradenton-Venice FL MSA
		Polk County
		Palm Bay-Melbourne-Titusville FL MSA
		Deltona-Daytona Beach-Ormond Beach FL MSA
		Gainesville (MSA)
		Ocala (MSA)
		Citrus County
		Highlands County
		Sumter County
		Putnam
		Flagler County
		Hardee County
	De Soto County	
	Levy County	
The Renaissance Park	Illinois	Peoria (MSA)
Central Indiana Corporate Partnership	Indiana	Indianapolis, IN (MSA)
		Lafayette, IN (MSA)
		Bloomington, IN (MSA)
		Muncie, IN (MSA)
		Columbus, IN (MSA)
Cedar Rapids Iowa City Technology Corridor	Iowa	Cedar Rapids, IA (MSA)
		Iowa City (MSA)
Regional Technology Corridor	Connecticut	Hartford-West Hartford-East Hartford, CT (MSA)
	Massachusetts	Springfield, MA (MSA)
West Michigan Strategic Alliance	Michigan	Grand Rapids-Wyoming, MI (MSA)
		Holland-Grand Haven, MI (MSA)
		Muskegon-Norton Shores, MI (MSA)
		Allegan County

		Montcalm County
Northern Nevada Development Authority	Nevada	Reno-Sparks, NV (MSA)
		Carson City, NV (MSA)
		Douglas County
		Lyon County
Regional Development Corporation	New Mexico	Santa Fe (MSA)
Regional Technology Development Centers (RTDC)	New York	10 regional centers with a service region of 90% of the state
Council for International Trade, Technology, Education and Communication (CITEC)	New York	Jefferson County
		St. Lawrence County
		Franklin County
		Essex County
		Lewis County
Alliance for Manufacturing and Technology (AM&T)	New York	Binghamton, NY (MSA)
		Ithaca, NY (MSA)
		Elmira, NY (MSA)
		Steuben County
		Otsego County
		Delaware County
		Chenango County
		Schuyler County
Center for Economic Growth (CEG)	New York	Albany-Schenectady-Troy, NY (MSA)
		Glens Falls, NY (MSA)
		Columbia County
		Greene County
Central New York Technology Development Organization (CNYTDO)	New York	Syracuse, NY (MSA)
		Cayuga County
		Cortland County
High Technology of Rochester (HTR)	New York	Rochester, NY (MSA)
		Genesee County
		Wyoming County
		Seneca County
		Yates County
Hudson Valley Technology Development Center (HVTDC)	New York	Westchester County
		Poughkeepsie-Newburgh-Middletown, NY (MSA)

		Rockland County
		Ulster County
		Sullivan County
		Putnam County
Industrial & Technology Assistance Corporation (ITAC)	New York	New York County
		Queens County
		Kings County
		Bronx County
		Richmond County
Long Island Forum for Technology (LIFT)	New York	New York-Newark-Edison, NY-NJ-PA (MSA)
Fund for Our Economic Future	Ohio	Cleveland-Elyria-Mentor, OH (MSA)
		Akron, OH (MSA)
		Youngstown-Warren-Boardman, OH-PA (MSA)
		Canton-Massillon, OH (MSA)
		Mansfield, OH (MSA)
		Wayne County
		Ashtabula County
		Columbiana County
		Ashland County
	Innovation Philadelphia	Pennsylvania
New Jersey		Trenton-Ewing, NJ MSA
The North Texas Regional Center for Innovation & Commercialization (NTXRCIC)	Texas	Dallas-Fort Worth-Arlington, TX MSA
		Waco, TX MSA
		Longview, TX MSA
		Tyler, TX MSA
		Wichita Falls, TX MSA
		Texarkana, TX-Texarkana, AR MSA
		Sherman-Denison, TX MSA
		Angelina County
		Harrison County
		Nacogdoches County
		Lamar County
		Anderson County
		Titus County
		Henderson County
	Navarro County	

		Erath County
		Cooke County
		Cherokee County
		Hopkins County
		Hood County
		Van Zandt County
		Wood County
		Hill County
		Palo Pinto County
		Shelby County
		Panola County
		Cass County
		Fannin County
		Limestone County
		Young County
		Wilbarger County
		Freestone County
		Montague County
		Morris County
		Camp County
		Bosque County
		Red River County
		Somerville County
		Franklin County
		Jack County
		Sabine County
		Rains County
		Marion County
		San Augustine County
		Hardeman County
		Baylor County
		Cottle County
		Foard County
Regional Economic Development Partnership	West Virginia	Wheeling, WV-OH MSA
		Wetzel County
Connect Northwest	Washington	Spokane, WA MSA