Introduction

Indiana is not homogeneous and different parts of the state have different strengths and opportunities. Recognizing this, the Indiana Department of Commerce (IDOC) announced a regional approach to the delivery of economic development services late in 2002, following a study by Market Street Services on the best practices for economic development in today's changing economy. The twelve multi-county regional offices were established in 2003 to place representatives from the Indiana Department of Commerce closer to their constituents and to begin to build the regional partnerships that are needed to grow the local economy and strengthen the state. In the first year, there was already evidence that this approach increased the awareness of and utilization of state programs by local businesses, while providing state officials with a clearer understanding of the needs of each region.

Advisory Councils were formed in each region to serve as steering committees for planning and to provide feedback and recommend suggestions to the Regional staff. To ensure coordination in their planning efforts statewide, the Indiana Department of Commerce engaged the Indiana Economic Development Council (IEDC) to direct and manage a regional planning process in conjunction with efforts also underway to update the Statewide Plan for Economic Development. This partnership has resulted in plans that are inter-related at the state and regional levels and help to ensure that the tools and engagement necessary for implementation are in place.

Indiana is standing at a critical juncture in its history with choices that can guarantee Hoosiers a strong economy and a good quality of life. In the state and regional plans, known collectively as A New Path to Progress, decision makers at all levels will find the policy recommendations that lead to that better future. The Indiana Economic Development Council is proud to be a partner in this effort, along with our team member Strategic Development Group, Inc. We want to express our gratitude to the many individuals in Region 10 who have contributed so extensively to this planning process and to the many other economic development efforts across the region that were examined to insure that the Commerce Region 10 staff is positioned to provide the most needed services and leadership to the businesses and residents of this region.

In 2005, the IDOC elected to reduce the number of regions from twelve to five. We believe that the work presented in these regional reports will more critical than ever in assisting the Commerce staff and policy makers in these larger regions as they seek to strengthen their local economy.
Enclosed you will find a copy of the Strategic Plan for the Region 10 Office of the Indiana Department of Commerce.

The plan is a result of strategic planning sessions, public input meetings, and community focus groups with representatives from the nine counties served by the Region 10 Office: Bartholomew, Brown, Decatur, Greene, Jackson, Jennings, Lawrence, Monroe, and Owen. Additionally the Strategic Planning Committee, comprised of 30 of our partners in our region, has been meeting over the past several months to provide input and guidance in formulating this document.

The plan outlines seven goals that focus on improving the economic climate within the region over the next four years. The development of objectives and implementing specific strategies will require the continued commitment of a variety of stakeholders and partners within the region, such as you. The purpose is to help guide the economy and strengthen the region in areas of workforce development, infrastructure needs, technology networks, and defined economic business clusters.

As you review the enclosed plan, please feel free to give the Region office a call with any comments or further suggestions that you may have on the strategic plan or its process.

Sincerely,

Doris J. Sims
Director, Region 10, 2004
Indiana Department of Commerce
Region 10
Economic Development Strategy

Executive Summary

The Indiana Department of Commerce and the Indiana Economic Development Council have partnered to create a new state economic development strategy and a set of strategies for each IDOC region. At the regional level the planning process was overseen by the region's Advisory Council. The Advisory Council consists of community leaders representing small and large employers, economic development organizations, educational institutions K through 16, and local government.

The Indiana Economic Development Council has identified seven key drivers of the state economy which have served as the basis for the planning process.

- Globalization
- Smart Government
- Thinking Regionally
- Infrastructure
- Business Innovation
- Quality of Life
- Workforce/Education

The Region 10 Advisory Council (RAC) has held three planning sessions. Statistical information on the state and regional economy was provided for these sessions by Purdue University and the Indiana Business Research Center. In addition to these sessions, a public meeting and two focus groups were held; the focus groups gathered in depth responses on the regional economy from economic developers and major employers. Over 100 key leaders in business and government were contacted over the phone and asked to respond to a survey. Guided by this information, the Advisory Council has adopted a goal under each driver and a set of Objectives defining the activities to achieve each goal.

The Region 10 Advisory Council has chosen seven goals for its economic development strategy. Those goals are:

1. Create an economic environment in which companies in clusters such as advanced manufacturing, educational services, and biomedical can thrive.
2. Ensure that each county in Region 10 has a local economic development strategy and has fundamental economic assets in place.
3. Engage all local elected officials throughout the region in economic development efforts.
4. Secure modern telecommunications (broadband and wireless) access in every community in the region.
5. Improve incumbent worker educational attainment levels and skills.
6. Improve the entrepreneurial environment for the region.
7. Develop a technology network that builds on the current strengths of IU-Bloomington, IUPU-Columbus, Ivy Tech, and Crane NSWC.
Region 10 includes the counties of Owen, Greene, Lawrence, Monroe, Brown, Bartholomew, Decatur, Jackson and Jennings. Interstate 65 runs through two counties, and Interstate 74 runs through one. The extension of Interstate 69 from Indianapolis to Evansville is slated to run through Monroe and Greene Counties. The region has a number of mid-sized communities with substantial rural areas.

Bloomington and Columbus are its largest cities. In addition to those two, Bedford, Seymour, North Vernon and Greensburg serve as locations for regional employers. Parts of the region are also tied to the economic sphere of influence in adjacent regions such as that of Indianapolis and Terre Haute. As a result, to be effective, an economic development strategy must be appropriate to mid-sized cities, small towns, and rural areas.

Major employers include Indiana University-Bloomington, Cummins Engine, and Cook, Inc.; significant tourism assets include Brown County State Park, the Hoosier National Forest, and Lake Monroe. Most of the counties in Region 10 are served by a local economic development organization.
Profile of Region 10

Region 10 has two MSAs, Bloomington and Columbus. The region also has four micropolitan areas: Bedford, Greensburg, North Vernon and Seymour.

Region 10’s population is 407,326 (2003). The City of Bloomington, in Monroe County, has a population of 70,642 (2003). The region’s population grew by 10.8 percent between 1990 and 2000; this compares with a 9.7 percent growth rate for the state of Indiana during the same decade.

The region’s unemployment rate (November 2004) is 4.2 percent. The largest employment sector (comprised of multiple clusters) in the region is manufacturing, which, with 43,749 workers, comprises 18.8 percent of the workforce. Indiana’s manufacturing employment is 16.7 percent of the state’s total workforce.

Region 10’s per capita personal income for 2002 was $25,234. This compares with the state average income of $28,032. Bartholomew County had the region’s highest per capita personal income of $30,261; Owen County had the lowest at $21,862.
Region 10 Cluster Analysis

For this economic development strategy, Purdue University analyzed business clusters in Region 10. Over the last ten to fifteen years, cluster analysis has emerged as a new way of looking at economic development, integrating regional differences in development and economic specialization. In adopting a cluster strategy, states and regions hope to maximize their competitive advantage in existing industries and to build new strengths in the emerging industries that will replace older, declining sectors. Purdue identified 14 business clusters that had a presence in South-Central Indiana.

The fourteen clusters are:

1. Biomedical / Biotechnical
2. Advanced Materials
3. Arts, Entertainment and Recreation
4. Chemicals
5. Advanced Business Services
6. Educational Services
7. Environmental Technology
8. Information Technology
9. Information, Communications and Media
10. Advanced Logistics
11. Agribusiness, Food, Technology
12. Earth Products
13. Advanced Manufacturing
14. Forest and Wood Products

In Table 1, each cluster is analyzed according to its size (number of jobs) in 2003, the strength and direction of growth in location quotients between 2001 and 2003. For purposes of comparison, the average per capita payroll income for each cluster is also illustrated in Table 1.

### Table 1 - Region 10 Changes in Employment and Concentration in Clusters

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Total, all industries</td>
<td>169,265</td>
<td>-0.8%</td>
<td>1.00</td>
<td>0.0%</td>
<td>29,911</td>
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<td>Specialized, Increasing Concentration</td>
<td></td>
<td></td>
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<tr>
<td>Advanced Manufacturing</td>
<td>27,500</td>
<td>-10.3%</td>
<td>3.13</td>
<td>4.2%</td>
<td>43,106</td>
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<td>Educational Services</td>
<td>11,838</td>
<td>14.5%</td>
<td>2.56</td>
<td>8.5%</td>
<td>31,730</td>
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<tr>
<td>Earth Products</td>
<td>2,262</td>
<td>-1.9%</td>
<td>1.92</td>
<td>6.8%</td>
<td>40,793</td>
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<td>Chemicals</td>
<td>5,734</td>
<td>7.3%</td>
<td>1.76</td>
<td>14.6%</td>
<td>34,689</td>
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<td>Advanced Materials</td>
<td>3,566</td>
<td>8.5%</td>
<td>1.61</td>
<td>25.8%</td>
<td>45,456</td>
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<tr>
<td>Advanced Logistics</td>
<td>5,937</td>
<td>7.8%</td>
<td>1.17</td>
<td>13.0%</td>
<td>31,636</td>
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<tr>
<td>Biomedical/Biotechnical (Life Sciences)</td>
<td>22,183</td>
<td>5.1%</td>
<td>1.06</td>
<td>0.2%</td>
<td>33,474</td>
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<td>Specialized, Decreasing Concentration</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(No clusters)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not Specialized, Increasing Concentration</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Forest and Wood Products</td>
<td>3,672</td>
<td>1.7%</td>
<td>1.00</td>
<td>4.5%</td>
<td>27,059</td>
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<tr>
<td>Information, Communications and Media</td>
<td>3,621</td>
<td>-7.8%</td>
<td>0.78</td>
<td>4.4%</td>
<td>27,757</td>
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<tr>
<td>Agribusiness, Food Processing and Technology</td>
<td>2,755</td>
<td>-0.6%</td>
<td>0.68</td>
<td>2.1%</td>
<td>27,876</td>
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<tr>
<td>Environmental Technology</td>
<td>1,239</td>
<td>7.1%</td>
<td>0.59</td>
<td>7.8%</td>
<td>43,979</td>
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<tr>
<td>Arts, Entertainment, Recreation and Visitor Industries</td>
<td>3,489</td>
<td>0.8%</td>
<td>0.57</td>
<td>0.9%</td>
<td>13,540</td>
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<tr>
<td>Advanced Business Services</td>
<td>5,549</td>
<td>2.6%</td>
<td>0.41</td>
<td>3.4%</td>
<td>39,886</td>
</tr>
<tr>
<td>Not Specialized, Decreasing Concentration</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Information Technology</td>
<td>3,123</td>
<td>-15.3%</td>
<td>0.39</td>
<td>-2.3%</td>
<td>37,093</td>
</tr>
</tbody>
</table>

Source: Indiana Economic Development Council and Purdue University Cooperative Extension Service, from third quarter CEW data supplied by the Indiana Business Research Center, January 2005
Because of the short, two-year time period (2001-2003), this analysis should be seen as a snapshot of the regional economy and might not necessarily indicate long-term trends. These clusters were analyzed from several perspectives, including total employment, employment growth, wages and the growth in specialization in each cluster relative to the growth of those same clusters nationally.

Chart 1 – Region 10 Clusters

A cluster can be categorized by the growth of its employment specialization. A Star cluster is one that is already specialized and is becoming even more specialized. A Mature cluster refers to those that are specialized and are currently becoming less specialized. The Emerging clusters are defined as those that are currently not specialized, but are becoming specialized in their particular grouping. The Transforming clusters are not specialized, and appear to be decreasing in any specialization that might exist.

1. Advanced Manufacturing is a major force in this region. The cluster employs approximately 27,500 people, which is 16.2 percent of total jobs in Region 10. Despite the increasing specialization in this sector, there is a question of whether employment in advanced manufacturing can remain at current levels, given global competition. During the study period, the cluster lost more than 3,000 jobs in Region 10; however it remains strongly concentrated due to even bigger declines in Advanced Manufacturing at the national level.

2. Educational Services is another strong cluster for Region 10. Educational Services provides almost 12,000 jobs. The share of U. S. specialized employment is high. The cluster increased its specialization (8.5% increase in specialization) and
employment (1,500 new jobs) in this region during the study period. As a result, Education Services is currently classified as a star cluster and with the presence of IU-B, IUPU-Columbus, and Ivy Tech campuses along with other post secondary institutions, this region is expected to remain strong in terms of the Educational Services cluster.

3. Biomedical / Biotechnical business cluster has a strong presence in Region 10. This cluster employs over 22,000 within the region and the cluster brought over 1,000 new jobs to the region during the study period. Its percentage of the U.S. specialized employment within this field has remained stable between 2001 and 2003. Given the presence of a Research University and a significant number of companies specializing in life sciences in Region 10, this star cluster has the potential to be an increasing part of the region's economic foundation.

4. The Advanced Logistics cluster provides nearly 6,000 jobs for Region 10. The region's level of specialized employment is above the national average, and the region's specialization increased between 2001 and 2003. This cluster is a star field in the region.

5. Advanced Business Services employs over 5,500 people in Region 10. Although its percentage of specialized employment remains below the national average, that specialization has increased slightly. This cluster is an emerging sector for the region. "Emerging" clusters and industries present targets of opportunity for future development, as they are currently increasing in strength and importance in the local economy, even if they are not yet specialized.

6. The Chemicals cluster gained U.S. specialized employment share between 2001 and 2003. Region 10's level of specialized employment in this cluster remains above the national average and made significant gains, 14.6 percent, from 2001 to 2003. The cluster currently employs over 5,500 people and is a star cluster for the region.

7. The Arts, Entertainment and Recreation business cluster employs almost 3,500 people in the region. Between 2001 and 2003, the region's share of specialized employment in this field increased slightly, although that share remains below the U.S. average. The cluster is an emerging sector of Region 10.

8. Information, Communications, and Media employs over 3,500 people in Region 10. During the study period, the cluster lost more than 300 jobs in Region 10; however it remains strongly concentrated due to even bigger declines in Information, Communications, and Media at the national level.

9. Information Technology is a transforming cluster. The region's level of share of specialized employment decreased slightly between 2001 and 2003. The sector currently employs over 3,000 people in Region 10.

10. The Forest and Wood Products cluster employs over 3,500 people in Region 10. The region's level of specialized employment has grown to match the national average.
11. The Earth Products cluster has had an increase in specialized employment share between 2001 and 2003. The region's level of specialized employment continues to be above the national average. The cluster employs over 2,000 people in the region.

12. The Agribusiness, Food, and Technology cluster has an employment in the region of over 2,500 jobs. The region's share of U.S. specialized employment in this cluster grew slightly between 2001 and 2003, although its current level of specialization is below the national average. This is an emerging sector.

13. Advanced Materials is a star sector for Region 10 that provides over 3,500 high wage jobs in Region 10. The region's level of the specialized employment rose between 2001 and 2003, and that level remains above the national average.

14. Environmental Technology is a cluster with a small presence in Region 10. The sector employs over 200 people in Southeast Indiana, and the cluster added over 70 new jobs between 1998 and 2003. The region's level of specialized employment grew during that same period. Environmental Technology is an emerging cluster.

The seven star clusters in Region 10 - Advanced Manufacturing, Educational Services, Advanced Logistics, Advanced Materials, Biomedical/Biotechnical, Chemicals, Earth Products, and Forest and Wood Products – equal approximately 46.7 percent of the region's workforce in 2003.

The average wage per job in the region in 2003 was $29,911. This contrasts with a 2003 average payroll wage per job in the U.S. of $37,765. The four clusters with the highest average payroll wage per capita in 2003 in Region 10 were Advanced Materials at $45,456, Environmental Technology at $43,979, Advanced Manufacturing at $43,106, and Earth Products at $40,793. In contrast, the four clusters with the lowest average payroll wages per capita were Arts, Entertainment and Recreation at $13,540, Forest and Wood Products at $27,059, Information, Communications and Media at $27,757, and Agribusiness, Food and Technology at $27,876.

The members of the Regional Advisory Council agreed that the Advanced Manufacturing, Educational Services, Arts, Entertainment and Recreation and Biomedical/Biotechnical business clusters sector clusters will play important roles in the region's economy over the next 12 years.
Region 10 Vision, Goals, and Measurements

Region 10 Vision 2016:
In 2016 Region 10 has a diverse economy that provides knowledge-based careers in a wide variety of business clusters. Advanced Manufacturing, Educational Services, Arts, Entertainment and Recreation and Biomedical/Biotechnical business clusters will provide well-paying jobs for the region’s workforce. These clusters are complemented by a large number of small technology-based businesses that can be found throughout the region. Collectively, these employers enable local college graduates opportunities for work in their home area. Educational attainment in Region 10 is one of the highest in the state of Indiana. Region 10 has one of the fastest growing populations in Indiana. Its three interstates (I-74, I-65 and I-69) provide access for people and goods throughout the country. These same interstates provide access to global markets via international airports in Indianapolis, Cincinnati and Louisville. The area offers a high quality of living in urban, suburban and rural areas. Small towns are competitive in economic development because of their access to interstates and access to broadband telecommunication services. Region 10’s natural assets – forests, parks, lakes, etc. – continue to support a strong tourism economy. Local governments within the region have continued to invest in economic assets and provide safe and attractive places to live and work.

A vision reflects the values of its residents. To achieve the vision, an effective strategy requires one or more large goals – priorities that will lead to the future.

The Region 10 Advisory Council has chosen seven goals for its economic development strategy. Those goals are:

Goal 1 - Create an economic environment in which companies in clusters such as advanced manufacturing, educational services and biomedical can thrive.

Measurements: For the short-term, the development of regional approaches to retention & expansion and new business recruitment; for the long-term, an increase in the number of employers and employees in these fields.

Goal 2 - Ensure that each county in Region 10 has a local economic development strategy and has fundamental economic assets in place.

Measurements: For the short-term, the creation of a strategy to work with leaders in each county; for the long-term, the development of local or regional economic development organizations to provide services in every county.
Goal 3 - Engage all local elected officials throughout the region in economic development efforts.

Measurements: For the short-term, a one-day Local Elected Officials (LEO) summit; for the long-term, LEOs in every community fully engaged in economic development issues.

Goal 4 - Secure modern telecommunications (broadband and wireless) access in every community in the region.

Measurements: For the short-term, the establishment of a task force to review successful programs in Indiana; for the long-term, more communities with modern telecommunications access.

Goal 5 - Improve incumbent worker educational attainment levels and skills.

Measurements: For the short-term, an inventory of current employer programs and a survey of workers; for the long-term, increased worker education levels.

Goal 6 - Improve the entrepreneurial environment for the region.

Measurements: For the short-term, a regional support system for entrepreneurs; for the long-term, a greater number of small businesses engaged in international trade.

Goal 7 - Develop a technology network that builds on the current strengths of IU-Bloomington, IUPU-Columbus, Ivy Tech, and Crane Naval Surface Warfare Center (NSWC).

Measurements: For the short-term, a business-university task force created to explore the Crane Technology, Inc. model; for the long-term, an increase in the technology resources available to regional businesses.
Drivers, Goals and Objectives

Driver 1: Globalization

In the new economy, regions will be successful to the extent they are participating in the socio-economic forces that make up the global economy; conversely, regions will be unsuccessful to the extent that they are not participating in those forces.

Goal One: Create an economic environment in which companies in clusters such as advanced manufacturing, educational services and biomedical can thrive.

2005 Action Items

1. Create a regional market position for the following clusters: Advanced Manufacturing, Educational Services, Chemicals, Biomedical & Biotechnical, and Advanced Materials
   - Convene the region’s local economic development organizations to review the market strategy
   - Develop a detailed implementation plan
   - Implement the plan
2. Catalogue basic employers in these key clusters throughout the region
3. Develop a periodic newsletter targeted to key cluster executives

Long-term Directions

4. Survey cluster executives regarding opportunities and problems
5. Hold an annual summit of cluster companies
6. Develop a regional approach to assisting established companies in key business clusters
7. Begin a regional new business recruitment campaign targeted toward key clusters
8. Begin to explore working with adjacent regions on an inter-regional approach to developing one business cluster such as Biomedical / Biotechnical
**Driver 2: Smart Government**

New economy challenges for government at all levels include:
- Balancing tax revenue environment with timely investments in public services, infrastructure and education
- Providing state-of-the-art telecommunications solutions so that citizens can conduct their business with the government on-line or electronically

**Goal Two:** Ensure that each county in Region 10 has a current local economic development strategy and has fundamental economic assets in place.

**2005 Action Items**

1. Collect and review local economic development plans
2. Meet with LEDO boards of directors to discuss current strategies and asset needs
3. Hold a series of brief workshops throughout the region for local elected officials on effective use of economic development tools such as County Economic Development Income Tax (CEDIT)

**Long-term Directions**

4. Survey counties for available sites and buildings
5. Promote adequate business sites with appropriate infrastructure in each county
6. Hold annual half-day seminars in each county on the purpose and processes of economic development
Driver 3: Quality of Life

In the new economy people increasingly want to live in places that are safe and attractive and that have high levels of educational, cultural, recreational assets and economic opportunities.

Goal Three: Engage all local elected officials throughout the region in economic development efforts.

2005 Action Items

1. Find funding for the new LEO outreach program  
2. Implement a LEO outreach strategy  
3. Increase the number of community leaders throughout the region via volunteerism networks, festivals and training workshops  
4. Create and maintain a monthly economic development newsletter for the region  
5. Host a one-day basic economic development summit meeting for local elected officials in the region  
   - Use the IDOC Community Development Road Show as a model

Long-term Directions

6. Attend county council and commissioners’ meetings quarterly to brief officials on a new tool or recent success story  
7. Promote multi-county projects through revenue sharing
Driver 4: Infrastructure

Each region must have adequate infrastructure that will enable it to compete. Infrastructure categories include: broadband telecommunications, water, sewer, power, and transportation. Each community within a region must have a minimum level of infrastructure assets with which to work, and each community must create a strategy to develop those assets.

Goal Four: Secure modern telecommunications (broadband and wireless) access in every community in the region.

2005 Action Items

1. Convene a task force comprised of business representatives, Local Economic Development Organizations (LEDOs) and local elected officials to oversee the project
2. Assign a delegate to the state’s broadband initiative
3. Review successful local broadband programs in Indiana and elsewhere
4. Explore Cinergy PSI’s Metro Net program as a potential regional model
   - Bedford
   - North Vernon
   - Seymour

Long-term Directions

5. Identify sources of funding
6. Undertake a feasibility study
7. Secure initial funding
8. Implement project
Driver 5: Workforce Development/Education

In the new economy education/skill attainment and access to continuing education and training will be among the most important factors for competitive success.

Goal Five: Improve incumbent worker educational attainment levels and skills.

2005 Action Items

1. Convene Workforce Investment Board (WIB) representatives, higher education professionals, workers and business executives to oversee the implementation of the incumbent worker education program
2. Survey workers’ goals and problems in accessing additional education
3. Inventory employer training programs throughout the region including implementation of WorkKeys
4. Identify champions for incumbent worker education in each county
5. Develop an on-going communications program on the benefits of continued education and life-long learning

Long-term Directions

6. Explore leading employer education models such as United Technologies’ Employee Scholar Program
7. Implement a regional pilot educational program within at least one key business cluster
8. Promote relevant, certified, portable skills training programs
9. Stimulate appreciation of life-long learning and career awareness
   ▪ Recognizing achievements in learning
   ▪ Celebrating individual and group successes
   ▪ Promoting success stories
10. Evaluate the Ivy Tech Consortium Training program as a vehicle for the entire region
Driver 6: Regional Thinking

In the new economy every community is dependent upon other communities in its multi-county region for labor and other resources. Economies are regional and communities can benefit greatly by thinking beyond political boundaries and building coalitions tailored to address specific development issues including transportation and workforce development.

Communities will succeed to the extent that they understand their regional economy and the economic development opportunities it offers to each locality.

Goal Six: Improve the entrepreneurial environment for the region.

2005 Action Items

1. Working with representatives from the region’s Small Business Development Center, create a regional support structure for entrepreneurs in basic business clusters
2. Build upon the existing seed capital program that currently serves most of the region to ensure early stages financing for entrepreneurs
3. Develop tools and resources that build upon or complement the SBDC program for clients throughout the region
4. Convene representatives of companies with strong exporting experience to discuss how best to help small businesses new to exporting
5. Identify new sources of funding

Long-term Directions

6. Ensure that every small business in the region has access to incubator services
7. Target small businesses in emerging technology and knowledge-based clusters
8. Implement the export mentoring program in which successful exporters share their knowledge with small businesses new to exporting
9. Convene LEDOs and representatives from the region’s SBDC program to determine additional opportunities for entrepreneurial development
10. Develop a small business employee education mentoring program as part of the region’s retention and expansion efforts
11. Host at least one meeting of Tech Point’s Entrepreneur Boot Camp in the region
12. Facilitate a venture capital club that serves at least Region 10 and perhaps one or more adjacent regions
**Driver 7: Business Innovation**

Successful new economy businesses will be characterized by continuous innovation and creation.

**Goal Seven:** Develop a technology network that builds on the current strengths of IU-Bloomington, IUPU-Columbus, Ivy Tech, and Crane NSWC.

**2005 Action Items**

1. Convene a task force of LEDOs, technology park directors, business executives and higher education representatives to meet with Southern Indiana Business Alliance (SIBA) to discuss the Crane model
2. Develop a pilot project for one business cluster to test a Region 10 technology network
3. Identify funding sources

**Long-term Directions**

4. Establish an oversight committee
5. Develop the implementation plan
6. Begin the pilot project
7. Evaluate the results of the pilot project
8. Share the results with businesses, state officials and higher education partners
9. Determine whether to pursue a broader network program
10. Develop strategies that take advantage of IU resources such as the Advanced Research and Technology Institute (ARTI)
Appendix 1

Region 10 SWOT: Strengths, Weaknesses, Opportunities and Threats Analysis

Introduction

The Region 10 Advisory Council developed a set of issues based upon an extended discussion of the region’s economic strengths, weaknesses, opportunities and threats.

Strengths

1. Great quality of life characteristics, with a strong emphasis upon outdoor recreation. Significant tourism programs, including Brown County and the Hoosier National Forest.
2. Perceived to be a safe place because mostly rural and small towns.
3. Presence of IU and Ivy Tech are important economic assets.
4. Excellent access to major Midwest and upper South markets, in addition to Indianapolis, Cincinnati and Louisville. Easy access to cultural amenities in Bloomington and Columbus as well as the metropolitan areas that are near the region.
5. The proposed I-69 will be an important economic corridor for the western part of the region, which currently lacks interstate access.
6. Some well-developed industrial parks in the region, although not every county has such a site.
7. Several outstanding employers throughout the region, including IU. These resources and current employers make this region a potential, major player in life science efforts.
8. Crane NSWC is one of the largest employers in Southern Indiana. It provides jobs for approximately 1,000 scientists and technicians.
9. Although the region’s educational attainment record is not even, there is a high educational attainment level in Monroe and Bartholomew counties.
10. Abundance of natural resources (limestone, hardwood trees, and agriculture). Opportunity to build on these resources and increase the amount of value-added production, instead of sending raw materials out of state for processing.
11. The work ethic and values of the people in the region are economic strengths. Our workers are beginning to recognize the importance of continuing education. Every county in the region now has some organization focused on providing post-secondary education to residents and workers in that county.
12. In addition, the percentage of dislocated workers who want to pursue entrepreneurship appears to be increasing.
13. Housing is generally perceived as affordable. We have a large number of commuters both intra-regionally and inter-regionally.
14. There have been some positive shifts in educational efforts recently. The IU-Ivy Tech partnership for biotechnology programs is a good example. The Homeland Security facility in Jennings County and its partnership with Atterbury and Crane is another positive example of organizations working together.
15. We have many strong local economic development organizations, although not every county has a full-time LEDO professional.
16. There seems to be more interregional cooperation in Southern Indiana than is found in other parts of the state

Weaknesses

1. Educational attainment of its incumbent workers. While the region has a workforce with a great work ethic, those workers may not have the right skills and education levels for the new economy
2. High cost of infrastructure due to the rolling hills and large rural areas in Region 10. The business development incentives that the state provides are often insufficient to overcome these weaknesses
3. Insufficient programs to promote the region and its businesses or to promote innovation in companies. Insufficient approach to entrepreneurship, particularly for small businesses that have the potential to become basic employers
4. Lack of regional thinking in our approaches to economic development, with the exception of the Small Business Development Center program. Instead, communities compete with each other for the same companies and industries
5. Failure to perceive the value in working together as a multi-county region. Need more enlightened local government, in which our leaders work together and try to drive their economies as a region
6. Need a better process for educating our leaders. They need to see the importance of economic development. When elected leaders engage with economic development professionals, success usually follows. Too often it takes the largest employer in the community to leave in order to bring people to the table
7. Lack access to important, telecommunications services. The state has yet to develop a plan for helping regions or communities connect to broadband. Large telecommunication companies are moving too slowly in our region
8. Poor interregional roads. Five of the nine counties in the region do not have an interstate highway. If the region is to function as an economic entity, it will need four-lane highways connecting the counties east to west
9. Businesses have problems accessing non-traditional capital. There are only a few, small early stage financing programs in the region. The region needs to be part of a state-wide capital access system
10. The cost of doing business – from real estate to health insurance – is going up. At the same time, OEM manufacturers are expected to continually reduce prices. It is part of the reason why many companies are looking to produce in other countries
11. Employee benefits are particularly difficult to maintain in manufacturing companies. It becomes more and more difficult to support traditional benefits when companies are competing with businesses in other countries that do not have this overhead to maintain
12. Despite the fact that Region 10 is home to Ivy Tech, IUPU-Columbus, and IU-Bloomington, there is little connection between business development and university technology transfer programs. We lack a state-wide emphasis upon technology transfer, and we lack a meaningful connection among university research, economic development programs, and entrepreneurial development organizations
Opportunities

1. There are a number of potential sectors in Region 10 where we might concentrate our economic development efforts. These areas include: Life Sciences, Advanced Manufacturing, Agribusiness, and Business Services. The Purdue University cluster analysis shows that Heavy Manufacturing and Educational Services have highly specialized employment in the region.

2. There is particular opportunity for higher value-added agricultural products.

3. Other potential sectors for focus include: fuel cell development and manufacturing and engineering and science training. The more urban centers of the region have the potential to position Region 10 as a Midwest center for bio-medical manufacturing. In the eastern section of the region we should be able to take advantage of Indiana’s location to develop transportation sector.

4. There is an opportunity for the Indiana General Assembly to create more financial incentives for business growth. These would include tools that focus on Educational Services and Tourism.

5. The region needs more business development incubators to take advantage of the growth of both small business in general and the service sector in particular.

6. The state is already working with regional leaders to strengthen Crane. However, more could be done to build upon Crane’s resources for future economic development.

7. We can build on the growing recognition of the importance of education by creating more effective business-education partnerships. This would include a growth in business apprenticeships.

8. We need to create a full-time local economic development organization in each county with professional staff, or create new incentives for true multi-county economic development programs. As a first step the region could make use of new tools that enabled local economic development organizations to work together.

9. Construct the extension of I-69. In addition to I-69, the region’s roads need to be upgraded. This would include US 50, S.R. 46, among other intercity highways.

10. As technology assistance becomes an increasingly important part of economic development, the region will need more business parks and business development programs that can provide direct access to technology-based solutions for businesses.

11. Opportunity to change the perception of educational attainment in our state. This will require a substantial commitment on the part of state leaders. Our immediate goal should be to increase educational attainment in our workforce.

12. Change the funding for public schools so that they are no longer funded by property taxes, in order to improve K-12 school systems.

13. During transition toward a new economic base, there is an opportunity to engage elected leaders in economic development. Leadership education should be brought to the region rather than requiring volunteer leaders to travel to Indianapolis.

14. Market tourism on a regional basis.
Threats

1. The potential I-69 is a strength, but the controversy that is ongoing could either retard or prevent the development of this important highway
2. Continued erosion of the traditional manufacturing base. It appears that manufacturing is shifting. We will just make different products, and we will create those products with far fewer people. It is also likely that our manufacturing wage will continue to decline with new manufacturing locations
3. Mass merchandisers such as Wal-Mart and Lowe’s drive out smaller, independent retailers
4. We need to find more niche categories where smaller manufacturing can thrive. This will require greater entrepreneurial efforts and a more formal approach to innovation
5. Crane is threatened in the current round of the Base Realignment and Closure process. If Crane is closed or significantly downsized, the western part of Region 10 (along with parts of Regions 6 and 11) will be significantly impacted
### Region 10 Economic Development – Planning Meetings 2004

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<tr>
<th>Event Type</th>
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<td>Planning Session 1</td>
<td>July 29, 2004</td>
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<td>September 16, 2004</td>
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<td>Public Meeting 1</td>
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<td>Public Meeting 2</td>
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<td>Focus Groups 1-3</td>
<td>November 5, 2004</td>
<td>Region 10 Office, Bloomington, Indiana</td>
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Appendix 3

Region 10 Economic Development - Council Members and Participants

Ms. Teresa Anderson, President
Brown County Convention & Visitors Bureau

Tammy Martin, Executive Director
Linton-Stockton Chamber of Commerce

Ms. Jo Arthur, Executive Director
Southern Indiana Development Commission

Mr. Rick Merkel, Executive Vice President
Enkei America, Inc.

Mr. Mark Barkley, President
Bloomfield State Bank

Mr. Greg Owens, Vice President of Operations
Sintering Technologies

Mr. Dean Bruce, Member
Spencer Town Council

Mr. Dan Peterson, Vice President
Cook, Inc.

Honorable Morris “Butch” Chastain
Mayor of Mitchell

Mr. Jim Plump, Executive Director
Jackson County Industrial Development Corp.

Dr. Jerry Conover, Director
Indiana Business Research Center

Mr. Richard Rampley, Program Director
WorkOne

Eric Frey, Executive Director
Administrative Resources Association

Mr. Gary Shelley, Economic Development
Project Manager, Cinergy/PSI

Hon. John Hall, Mayor
City of North Vernon

Ms. Sue Smith, Executive Director
Corporate & Continuing Education Services
Ivy Tech, Columbus

Mr. Jamie Jo Harris, Executive Director
Bedford Urban Enterprise Association

Linda Trefry, Executive Secretary
Owen County Chamber of Commerce

Greg Hicks, Vice-President
Heritage Bank

Mike Walker, Executive Director
Greensburg/Decatur County Econ. Dev. Corp.

Mr. Brian Kleber, Director
South Central Small Business Devel. Center

John Whikehart, Chancellor
Ivy Tech State College

Shannon R. Laurent, Director
South Central Workforce Development Services

Mr. Ron White, Director
IU Continuing Studies

Mr. H. Peter Lieber, Economic Development Coordinator
Hoosier Energy

Mr. Bob Zickler, Plant Manager
Aisin USA
Partners in the Region 10 Planning Team

Region 10 Office
  Doris Sims, Regional Director
  Kathy Noland, Regional Operations Manager
  Manasi Watts, Program Manager
  Katrina Jones, Administrative Coordinator

Purdue University Extension Services
  Christine Nolan, Area Educator

Indiana Business Research Center
  Jerry Conover, Executive Director
  Carol Rogers, Associate Director

Insight Consulting, LLC
  M. Jean Woods, Principal
  Peggy Morrow, Principal

Strategic Development Group
  Thayr Richey, President
  Matt Weber, Project Manager
  Matt Kinghorn, Project Manager

Indiana Economic Development Council, Inc.
  Jackie Nytes, President
  Le Anh Long, Research Director

About Strategic Development Group, Inc.

Strategic Development Group, Inc. was founded in 1991. Now one of Indiana's most respected consulting firms, SDG has worked in more than 100 communities, helping businesses, governments, and community-based organizations on strategic planning, research, management and economic development projects.