A NEW PATH TO PROGRESS

2005 REGION II STRATEGIC PLAN FOR ECONOMIC DEVELOPMENT

INDIANA DEPARTMENT OF COMMERCE
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 11 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 11 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 be more critical than ever in assisting the Commerce staff and policy makers in these larger regions as they seek to strengthen their local economy.
Greetings!
We are pleased to present the Strategic Plan for Region 11. We sincerely appreciate the work of our many partners and participants who cooperated with us throughout 2004 to produce this plan. The plan focuses on the unique assets, opportunities and needs within the Region 11 area, encompassing Daviess, Dubois, Gibson, Knox, Martin, Perry, Pike, Posey, Spencer, Vanderburgh and Warrick counties.

We give special thanks to the dedicated and talented Advisory Council members for their contribution of time and participation on the plan. The Advisory Council consists of small and large employers, economic development organizations, educational institutions, area planning commissions and local government.

Thanks must also go to the Indiana Economic Development Council and Thayr Richey and Brian O’Neill from the Strategic Development Group (SDG). SDG served as the Region 11 consultants and provided valuable guidance developing the vision, strategies and goals to move economic development forward in the New Year.

We acknowledge our partners in the process that helped enrich the product for Region 11. The Indiana Economic Development Council (IEDC), the steward of the statewide process, managed the strategic planning for all twelve regions of the Indiana Department of Commerce. The Indiana Business Research Center provided data and assisted with the online state surveys for each region. Purdue University Cooperative Extension Service identified Indiana’s competitive advantages through the business cluster approach.

Last but never the least, we must recognize over 100 citizens and stakeholders who participated with focus groups, public meetings, and phone interviews. Their willingness to take the time to provide information provided invaluable input to this process.

We succeeded in a short timeframe to create a plan that provides direction for developing specific objectives and implementing strategies, the map that will guide us on the journey to a stronger and more diverse economy for the region. If the plan is to be of value, then action must be taken. Now is the time for all to work together, all partners and stakeholders, to guide Region 11 to the next level of economic performance.

Sincerely,

Connie Fowler
Director, Region 11, 2004

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Region 11 Economic Development Strategy
2005
Indiana Department of Commerce
Region 11
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
- Thinking Regionally
- Business Innovation
- Workforce/Education
- Smart Government
- Infrastructure
- Quality of Life

The Region 11 Advisory Council (RAC) held four 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 conducted on October 12; 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.

While this plan focuses upon Southwest Indiana, the RAC recognizes that Region 11 is part of a tri-state economy. As the RAC continues to develop its economic strategy, it will include regional partners in Kentucky and Illinois.

The Region 11 Advisory Council has chosen seven goals for its economic development strategy. Those goals are:

1. Position all businesses in the region to compete in the global marketplace.
2. Promote business innovation through region-wide cooperation, diversification, and enhanced venture capital opportunities.
3. Recognize the diverse infrastructure needs of the region and promote collaborative solutions.
4. Promote a high quality of life throughout the region.
5. Collaborate with higher education organizations to provide Leadership Education Summits on a range of appropriate issues bringing business leaders and local elected officials together.

6. Promote cooperation among communities in order to capitalize on regional economic assets and address regional economic liabilities.

7. Develop innovative approaches in education, workforce development, and lifelong learning.
Region 11 consists of eleven counties in the Southwest corner of Indiana: Daviess, Dubois, Gibson, Knox, Martin, Perry, Pike, Posey, Spencer, Vanderburgh, and Warrick. It is bounded by the Wabash River on the west and the Ohio River on the south which affords access to the Southwind Maritime Center, one of the three Ports of Indiana. Region 11 is also part of a tri-state economy with Kentucky and Illinois. The only interstate that transects the region is I-64, which runs east and west connecting Louisville, Evansville, and St. Louis. US 41 is the primary highway linking Evansville with Terre Haute and Indianapolis. The lack of a north-south interstate has clearly been a disadvantage to the region economically. The accelerated build out of I-69 is a high priority for nearly all of the stakeholders in the regional economy.

Region 11 has a number of economic assets upon which it can build. These include: significant employers such as Toyota, Bristol-Meyers Squibb and Crane, NSWC; a number of strong, local economic development programs; and active regional plan commissions such as S IDC* and Region 15. Most of the region is served by SWIDC** – a regional economic development organization. The region is the home of Southwind Maritime Center, one of three Indiana State ports, and several local ports serving the Ohio River. In recent years life-long education programs such as SINE*** have developed effective services for both students and adults.

Evansville is by far the largest city in the region and the third largest in Indiana. The vast majority of the region remains rural with half a dozen smaller cities including Vincennes, Jasper, and Washington. Economic development strategies for Region 11 must address a broad range of needs in rural, suburban, and urban contexts.

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*Southern Indiana Development Commission  
**Southwest Indiana Development Council  
***Southwest Indiana Network for Education
Profile of Region 11

Region 11 has one MSA, Evansville, IN-KY. The region also has three micropolitan* areas: Vincennes, Washington and Jasper.

Region 11’s population is 457,830 (2003). The City of Evansville has a population of 117,881 (2003). The region’s population grew by 5 percent between 1990 and 2000, which is slower than the state’s growth rate of 9.7 percent during the same decade.

The region’s unemployment rate (November 2004) is 3.9 percent. The largest employment sector (comprised of multiple clusters) in the region is manufacturing, which, with 48,634 workers, comprises 17 percent of the workforce. Indiana’s manufacturing employment accounts for 16.7 percent of the state’s total workforce.

Region 11’s per capita personal income for 2002 was $28,268. This is comparable to the state average income of $28,032. Dubois County had the region’s highest per capita personal income of $31,466; Pike County had the lowest at $21,571.

* A micropolitan statistical area has at least one urban core with a population of at least 10,000 but less than 50,000. The urban clusters also have an adjacent territory with a high degree of social and economic integration as measured by commuting.
Region 11 Cluster Analysis

For this economic development strategy, Purdue University analyzed business clusters in Region 11. Business clusters are groups of companies that have something in common – from a similar product or service to a similar workforce. 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 Southwest Indiana.

The 14 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 11 Changes in Employment and Concentration in Clusters

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<tr>
<td>Total, all industries</td>
<td>224,954</td>
<td>0.5%</td>
<td>1.00</td>
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<td>Specialized, Increasing Concentration</td>
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<td>Advanced Materials</td>
<td>8,659</td>
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<td>2.94</td>
<td>2.7%</td>
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<td>Chemicals</td>
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<td>Advanced Manufacturing</td>
<td>19,691</td>
<td>8.3%</td>
<td>1.68</td>
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<td>Advanced Logistics</td>
<td>9,120</td>
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<td>5.8%</td>
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<td>Agribusiness, Food Processing and Technology</td>
<td>6,049</td>
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<td>Specialized, Decreasing Concentration</td>
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<td>Forest and Wood Products</td>
<td>12,643</td>
<td>-8.6%</td>
<td>2.58</td>
<td>-7.4%</td>
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<td>Biomedical/Biotechnical (Life Sciences)</td>
<td>29,094</td>
<td>5.4%</td>
<td>1.05</td>
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<td>34,552</td>
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<td>Information, Communications and Media</td>
<td>4,401</td>
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<td>0.71</td>
<td>9.3%</td>
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<td>Information Technology</td>
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<tr>
<td>Educational Services</td>
<td>4,292</td>
<td>5.2%</td>
<td>0.70</td>
<td>-1.6%</td>
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<td>Arts, Entertainment, Recreation and Visitor Industries</td>
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<td>0.74</td>
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<td>Environmental Technology</td>
<td>1,583</td>
<td>-9.3%</td>
<td>0.56</td>
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<td>Advanced Business Services</td>
<td>7,661</td>
<td>-9.8%</td>
<td>0.43</td>
<td>-10.4%</td>
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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 snap shot 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 11 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. The Biomedical / Biotechnical business cluster has a strong presence in the region. This cluster employs over 29,000 within the region. Its percentage of the U. S. scope of specialized employment within this field has decreased slightly between 2001 and 2003. However, the region’s level of specialized employment remains above the national average and the cluster added almost 1,500 new jobs to Region 11 communities during the study period. This cluster has the potential to be an increasing part of the region’s economic foundation.

2. Advanced Materials provides over 8,500 high wage jobs in Region 11 and is three times as concentrated in the region compared to the nation. In addition, the level of concentration increased between 2001 and 2003. The Advanced Materials cluster has
been identified as a targeted cluster for growth in the most recent state economic strategy and it has the potential to remain a fundamental part of the regional economy.

3. The Arts, Entertainment and Recreation business cluster has nearly 6,000 jobs in this region. The region’s level of specialized employment in this field declined slightly in the two years covered in this analysis, and that level remains below the national average.

4. The Chemicals cluster provides over 12,000 high wage jobs in Region 11. The region’s level of specialized employment is well above the national average, and that level increased between 2001 and 2003.

5. Advanced Business Services employs over 7,500 people in Region 11. The region’s level of specialized employment is below the national average. Between 2001 and 2003 this was a cluster that was in transition.

6. Education Services is a transforming cluster that employs over 4,000 people. The region has a below national average level of specialized employment in Education Services, and that level decreased slightly between 2001 and 2003. However, given the presence of many excellent postsecondary institutions in Region 11 such as the University of Southern Indiana, Vincennes University and Ivy Tech state college, the Education Services cluster in the region has the potential to grow.

7. Environmental Technology is a cluster with a relatively small presence in Region 11. The sector employs slightly over 1,500 people in Southwest Indiana. The region’s level of specialized employment in this cluster is below the national average.

8. Information Technology employs over 5,000 people. The cluster shows a slight gain in share of specialized employment, although that share is still below the national average. This is an emerging cluster for the region.

9. The Information, Communication and Media cluster has yet to reach the national average for specialized employment in Region 11, but that level has increased between 2001 and 2003. The cluster employs over 4,000 people. This cluster is an emerging sector. “Emerging” clusters and industries present targets of opportunity for future development, since they are currently increasing in strength and importance in the local economy, even if they are not yet specialized.

10. The Advanced Logistics cluster provides over 9,000 jobs in the region. Region 11’s level of specialized employment in this cluster is above the national average, and that level of specialization increased in recent years. It would appear that this cluster has great potential in a region with a major interstate highway and a strong river port presence.

11. The Agribusiness, Food, Technology cluster shows a level of specialized employment that is above the national average and that grew slightly between 2001 and 2003. The
The Earth Products cluster includes industries such as mining, glass and refractories manufacturing. The cluster employs over 4,000 people in the region. The region’s share of specialized employment increased slightly over the past five years, and its share of that employment continues to be well above the national average.

Advanced Manufacturing employs over 19,500 people in the region, which is 8.8 percent of all jobs in Region 11. This cluster is a star sector for the region’s economy. The region’s share of specialized employment in this cluster is above the national average; however, that share grew slightly between 2001 and 2005. While Advanced Manufacturing has been declining nationally, in Region 11 it added 1,500 jobs, making Region 11 one of the few in Indiana to achieve employment gains in this cluster during the study period.

Forest and Wood Products is a cluster in which the region’s share of specialized employment has declined a point, where it is below the national average. The cluster employs more than 12,500 people in the region. This is a mature cluster.

The six star clusters in Region 11 – Chemicals, Advanced Materials, Advanced Logistics, Earth Products, Advanced Manufacturing, and Agribusiness, Food Processing and Technology – equal approximately 26.6 percent of the region’s workforce.

The average wage per job in the region in 2003 was $31,097. This contrasts with a 2003 average wage per job in the U. S. of $37,765. The four clusters with the highest average payroll wages per capita in 2003 were Advanced Materials at $59,561, Chemicals at $46,996, Earth Products at $46,550, and Advanced Manufacturing at $44,269. In contrast, the four clusters with the lowest average payroll wages per capita were Arts, Entertainment and Recreation at $15,401, Educational Services at $25,888, Agribusiness at $26,142 and Forest and Wood Products at $31,700.

The members of the Regional Advisory Council agreed that Biomedical / Biotechnology, Advanced Manufacturing and other star and emerging clusters will play important roles in the region’s economy over the next 12 years.
Region 11 Vision, Goals, and Measurements

Region 11 Vision 2016:
By 2016 the Region 11 economy is characterized by extremely strong clusters in chemicals and biomedical / biotech. High tech clusters have emerged as “stars” and take advantage of a highly educated workforce and synergies with the more established clusters. Advanced manufacturing has become an even stronger sector as Toyota grows and as high quality operations in the supply chain attract other basic employers. In the northern part of Region 11, Crane, NSWC, remains one of the largest employers in the region and it continues to assist Indiana businesses with technology services. Development along I-69 is characterized by well planned frontage roads and arteries radiating out from access interchanges. The advent of I-69 in the region has stimulated both local and regional coordination in land use and infrastructure development. Region 11 has a growing, prosperous, and well educated middle class. Unemployment and poverty rates are at historic lows. The region is successfully competing with peer communities across the Midwest.

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 11 Advisory Council has chosen seven goals for its economic development strategy. Those goals are:

**Goal 1 - Position all businesses in the region to compete in the global marketplace.**

**Measurements:** For the short-term, creation of a Global Markets Forum; for the long-term, increases in the number of regional businesses that are marketing and selling goods and services outside of the United States.

**Goal 2 - Promote business innovation through region-wide cooperation, diversification, and enhanced venture capital opportunities.**

**Measurements:** For the short-term, creation of an Economic Development Roundtable; for the long-term, new partnerships among businesses, economic development organizations and higher education; increases in the number of patents issued by regional businesses; establishment of local and regional incentives for novel business practices.

**Goal 3 - Recognize the diverse infrastructure needs of the region and promote collaborative solutions.**

**Measurements:** For the short-term, compilation of identified regional needs, creation of collaborative solutions; for the long-term, development of new infrastructure.
Goal 4 - Promote a high quality of life throughout the region.

**Measurements:** For the short-term, creating the Economic Development Roundtable and holding Leadership Forums, for the long-term, improved local infrastructure and vibrant downtowns.

Goal 5 - Collaborate with higher education organizations to provide Leadership Education Summits on a range of appropriate issues bringing business leaders and local elected officials together.

**Measurements:** For the short-term, holding Leadership Education Summits; for the long-term, increasing the number of local and regional leadership development programs throughout the region, but particularly in rural areas.

Goal 6 - Promote cooperation among communities in order to capitalize on regional economic assets and address regional economic liabilities.

**Measurements:** For the short-term, Create Regional Corridor Committee; for the long-term, increasing the number of inter community collaborations; new state programs to reward multi-county economic development efforts.

Goal 7 - Develop innovative approaches in education, workforce development, and lifelong learning.

**Measurements:** For the short-term, convening a region-wide School to Careers Conference; for the long-term, increasing the educational attainment levels of the region; creating effective collaborations on adult education.
Drivers, Goals and Objectives

Driver 1: Globalization

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

Goal One: Position all businesses in the region to compete in the global marketplace.

2005 Action Items

1. Create the Global Markets Forum bringing regional businesses, workforce development professionals, and educators together to stay abreast of:
   - World class metrics in employer safety, quality, productivity, operational excellence, cost, and time
   - Technological advances
   - New skills required for a job ready workforce
   - New market threats and opportunities

Long-term Directions

2. Create the Global Market Mentors: internationally competitive businesses willing to assist midsized and smaller businesses in making the transition to the global economy
3. Build upon the efforts of the Tri-State World Trade Council
4. Explore establishing partnerships with businesses in other countries
5. Examine the potential resources of the Institute for Global Enterprise in Indiana at the University of Evansville
Driver 2: Business Innovation

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

Goal Two: Promote business innovation through region-wide cooperation, diversification, and enhanced venture capital opportunities.

2005 Action Items

1. Initiate an Economic Development Roundtable consisting of professionals in the field to meet quarterly in order to review supply chain opportunities and share best practices
2. Explore the possibility of using SWIDC as a vehicle for the Economic Development roundtable
3. Facilitate communication between economic developers in the region and emerging venture capital funds in Evansville and throughout the tri-state area - including the Midwest Venture Club - through Economic Development Roundtables and newsletters
4. Focus initial partnership efforts toward existing regional assets or business clusters and strategic expansion opportunities

Long-term Directions

5. Hold Economic Development Roundtables in counties without E.D. organizations and invite local business leaders and elected officials to attend
6. Identify innovators in the business community, present RAC awards, and publicize success stories through newsletter and media releases
7. Promote research and development partnerships and connections among business, economic development organizations and higher education regarding:
   - Technology and product development
   - Operational and management innovations
   - Technology access for local businesses
   Develop these partnerships with respect to existing regional assets, business clusters, and strategic expansion opportunities
8. Establish a new tax credit program for new business investments
9. Develop a regional technology park without walls program that connects businesses throughout the region in need of technology assistance from regional and statewide resources such as Purdue University and Crane, NSWC
10. Promote USI's concept of a Center for Applied Research that will support the region's economic needs
**Driver 3: 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 Three: Recognize the diverse infrastructure needs of the region and promote collaborative solutions.**

**2005 Action Items**

1. Disseminate up to date information on "creative financing opportunities" and on state and federal funding for major capital projects through newsletters and appropriate regional meetings
2. Facilitate the provision of updated information on I-69 from the Indiana Department of Transportation to local planning agencies and regional coalitions through newsletters, mailings, and media outlets

**Long-term Directions**

3. Assist each county in the establishment of at least one business park served by adequate infrastructure in cooperation with the appropriate regional planning or development district
4. Promote and convene meetings among rural counties for collaborative action on specific infrastructure challenges such as sewage treatment, water, and solid waste
5. Promote regional planning for transportation infrastructure, from connector roads to I-69 to rail, waste water treatment, etc.
   - Develop a regional intermodal transportation system that includes the Ohio River, air, highway and rail and that builds upon Southwind Maritime Center and local river ports
   - Improve highway transportation connectivity within and without the region
   - Establish over the long-term a tri-state regional planning organization for the region
6. Promote inter-county revenue sharing for joint ventures in land and infrastructure development
**Driver 4: 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 Four: Promote a high quality of life throughout the region.**

**2005 Action Items**

1. Improve quality of life through providing information on planning and funding for planning in the provision of infrastructure such as sewage treatment, water, and transportation
   - Utilize Economic Development Roundtables and Leadership Education Summits
2. Improve economic development and the quality of life through providing information on the relationship between planning and zoning and the development and preservation of sites for job creation
   - Utilize Economic Development Roundtables and Leadership Education Summits

**Long-term Directions**

3. Convene a Regional Downtown Summit annually to discuss revitalization in regard to issues such as:
   - Redevelopment and historic preservation
   - Maintaining and attracting cultural venues
   - Economic impact of arts and crafts commerce
   - Niche retail development
   - Façade and beautification programs
   - Regional Main Street success stories
4. Organize and promote tourism on a regional basis
5. Promote inter-county revenue sharing for joint ventures in land and infrastructure development
6. Develop and support a healthy lifestyle for the region’s residents
**Driver 5: Smart Government**

Successful governments in the new economy will be characterized by innovative solutions to problems, customer focus and high levels of accountability. New economy challenges for government at all levels include:

- Balancing tax revenue 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.

**Goal Five: Collaborate with higher education organizations to provide Leadership Education Summits on a range of appropriate issues bringing business leaders and local elected officials together.**

**2005 Action Items**

1. Convene a meeting of representatives from participating higher education institutions to plan and implement Leadership Education Summits bringing business leaders and local elected officials together.

   Issues might include
   - Tax abatement
   - Special taxing districts: Tax Increment Financing (TIF), Certified Tech Parks, and Community Revitalization Enhancement Districts (CReED)
   - Local Option Income Taxes: County Option Income Tax (COIT), County Adjusted Gross Income Tax (CAGIT), and County Economic Development Income Tax (CEDIT)
   - Regulatory Environments
   - Compliance Issues
   - Infrastructure Planning
   - Workforce Development

**Long-term Directions**

2. Convene a meeting among appropriate representatives from Indiana Association of Cities and towns (IACT), Association of Indiana Counties (AIC), and regional higher education to plan and implement a Leadership Education Summit on technology and e-government
**Driver 6: Regional Thinking**

In a global 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:** Promote cooperation among communities in order to capitalize on regional economic assets and address regional economic liabilities.

**2005 Action Items**

1. Support a partnership among the post-secondary schools in Southwest Indiana to develop a region-wide educational initiative endorsed by the Advisory Council and submitted for funding from public and private sources such as the Lilly Endowment
2. Provide formal opportunities for economic development collaborations through the quarterly Economic Development Roundtables
3. Create a Regional Corridor Committee to review and prioritize a “defining” activity that helps create an economic identity for the region
   - The identification of a “defining activity” should not preclude the development of other regional or interregional initiatives, but it should be used to define the perception of the region as a progressive community with growth potential and strong educational, cultural, human or material assets
   - This activity might be based upon one of the region’s dominant business clusters such as advanced manufacturing, biosciences and others

**Long-term Directions**

4. Lobby as a region for efforts to secure regionally available access to higher education, research and advanced degrees
5. Assist each county in achieving the following minimum standards regarding economic development tools:
   - At least one economic development organization with a retention and expansion program
   - Access to business incubation services in the county or through a regional network
   - At least one business park served by adequate infrastructure
   - Access to broadband communications through fiber or wireless infrastructures
6. Have the entire region on the same time zone
7. Hold a forum on how to develop public-private partnerships
Driver 7: 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 Seven: Develop innovative approaches in education, workforce development, and lifelong learning.

2005 Action Items

1. Assist economic development and education partners in convening a region-wide School to Careers Conference that will:
   - Promote business and education partnerships
   - Introduce School to Careers to nonparticipating schools
   - Share best practices
   - Provide information on career opportunities and required skills that will meet the demands of expanding employment clusters within the region such as life sciences
   - Develop a traveling career display based on these employment clusters
2. Establish an ongoing dialogue on lifelong learning among educators, workforce development professionals, businesses, and workers in the Global Markets Forum

Long-term Directions

3. Raise the bar on adult education in such areas as computer skills and increasing non-traditional college level courses that incumbent workers can access
4. Foster a more rigorous pursuit of excellence in high school academics by endorsing and promoting access to college level course work for dual credit for qualified secondary students
5. Increase post-secondary training for high school graduates who do not intend on seeking a college degree
6. Create more opportunities for college bound high school students to participate in summer internships in order to establish early relationships with regional employers
   - Utilize the Global Markets Forum to promote the program
7. Support the region’s established organizations that promote lifelong learning
Appendix 1

Region 11 SWOT: Strengths, Weaknesses, Opportunities and Threats Analysis

Introduction

The Region 11 Advisory Council developed a set of issues based upon an extended discussion of the region's economic strengths, weaknesses, opportunities and threats.

Strengths

1. The region has a number of strong basic employers that can help our region continue to develop economically.
2. Economic diversity in Evansville might be the good news. The manufacturing dip was not felt as badly here because of diversity.
3. A venture capital forum is being formed in Evansville.
4. Toyota's location helped lift the area from economic stagnation.
5. In Warrick County there are significant housing starts.
6. USI received a $2.5 million grant from Lilly to address the region's brain drain, and the University is creating a program to help address the issue in Southwest Indiana.

Weaknesses

1. Regional leaders need to work closely with major employers to think creatively about regional linkages, not just highway corridors.
2. Continuing complacency about going after innovative sectors like high technology.
3. Quality of life issues in Southwest Indiana do not receive much consideration. The impact of development across a number of key areas is disregarded. Need to help communities to understand the need for and to implement managed growth
4. It is a challenge to find leaders with the vision and voice to help the region grow economically in a different way.
5. There is insufficient communication between major industries and LEOs. No planning going on at this level. Too few LEOs are educated regarding business needs.
6. Some LEOs cannot attend seminars because their elected positions are part-time. They have additional full-time jobs.
7. Lack of informed leadership on business needs goes beyond LEOs to all community leaders. There is too much apathy.
8. In some parts of the region, low educational attainment levels are a serious problem.
Opportunities

1. We need to overcome some of our competitive and independent instincts and create a network. A stronger region is in everyone’s interest.
2. We need to identify diversity opportunities.
3. The possibilities for a diversified economy are tied to leadership and innovation.
4. We need to help get innovation out of the garages and kitchens through capital formation.
5. Across the region, it appears that our multinational companies are already focused on shopping for global and regional platforms and looking for high quality suppliers.
6. In many cases the region’s small tier one suppliers must meet world class metrics. They need to manufacture to that type standard. They work through QS systems. And now they have accountability for having the expertise to produce high quality at low price in very competitive environments.
7. Many larger companies have to look beyond this region. They compete globally. Their competitors are globally positioned. The reality is that we are all in a global marketplace, and we need a vision to address this reality. We need to help others understand and make the transition.
8. The region has been complacent with old line companies. Toyota brought investment into the community in a multiplier effect. The consequent new investment from Toyota drives housing and small business development.
9. The Evansville Airport is creating a ten year plan that would fit into future linkages.
10. A new LEDO has just been formed in Dubois County. The need to diversify has been a real catalyst in a cooperative effort between LEOs and the private sector. The county has an opportunity to capitalize on the tradition of local entrepreneurship.
11. We need to get the LEOs cooperating with us on strategic economic development issues on a regional as well as local basis.
12. We need to get the attention of highly driven firms that are taking measures to remain competitive in the global economy.
13. Small communities shouldn’t only compete; they also need to cooperate.
14. We need to acknowledge that there are sub-regions within this region.
15. We are competing for resources with other regions. We will live for years with the corridor that is being created between Lafayette, Indianapolis and Bloomington. We need to formulate a response to that corridor plan. We need a defining activity. The research triangle in North Carolina did not simply happen and we need to create our own project / strategy / identity on a regional basis. We need to find the local connectivities in our region that make sense, create a project around them, and then we will get the attention and compete for the resources.
16. Would it make sense for the Regional Advisory Board to create a set of metrics setting minimum standards for Region 11 communities?
17. The population distribution median at Loogootee is moving south. Maybe we should try to take advantage of this trend?
18. Could we use more expansive questions on the realities of capital returns which would include the following factors:
   - Productivity
   - Market conditions
   - Capital formation

Region 11 Economic Development Strategy
2005
19. The emergence of the creative class is important because lifelong learning is no longer classroom centered. Individuals must internalize continuous learning as a dimension of their working lives and not simply as a return to the classroom.
20. We need to see the advantages in partnerships with universities.
21. Purdue has had a conference on advanced manufacturing. It addressed common issues and concerns. There were 300 participants. Why couldn't we do that in Region 11?
22. The four post-secondary schools in Southwest Indiana should form a partnership endorsed by the RAB and go to Lilly for a grant.
23. Most of the state's educational resources are focused on IU-B and Purdue-West Lafayette, and we're not going to have flagship institutions here. Given that we do not have not flagship research institutions, there is plenty we could do to address other acute educational needs if we had the resources.

Threats

1. Are we going to abdicate the space we own today? What do we do to retain our local manufacturing facilities proactively?
2. What do we see in the global economy, and how do we respond in order to position ourselves for the next twenty years? We need to think long term.
3. Do we see a future without the major manufacturers of this region? Can we adapt in five years if all our manufacturing is located outside of the country?
4. We have huge challenges in water and sewage treatment in Southwest Indiana and funding is a big issue. How do we help small communities deal with these challenges?
5. Are our leaders in the community thinking in new directions?
6. How do the slow wagons (i.e. the poorer local economies) in the region catch-up?
# Appendix 2

## Region 11 Economic Development – Planning Meetings 2004

<table>
<thead>
<tr>
<th>Planning Session</th>
<th>Date</th>
<th>Location</th>
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<tr>
<td>Planning Session 1</td>
<td>July 30, 2004</td>
<td>University of Southern Indiana, Evansville Indiana</td>
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<tr>
<td>Planning Session 2</td>
<td>September 29, 2004</td>
<td>Accuride Headquarters, Evansville, Indiana</td>
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<tr>
<td>Focus Groups 1 and 2</td>
<td>October 12, 2004</td>
<td>Evansville Regional Airport</td>
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<tr>
<td>Public Meeting 1</td>
<td>October 12, 2004</td>
<td>Evansville Regional Airport</td>
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<td>Planning Session 3</td>
<td>October 29, 2004</td>
<td>Accuride Headquarters, Evansville, Indiana</td>
</tr>
<tr>
<td>Planning Session 4</td>
<td>November 19, 2004</td>
<td>Accuride Headquarters, Evansville, Indiana</td>
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Appendix 3

Region 11 Economic Development - Council Members and Participants

Ron Arnold, Director
Daviess County Growth Council

Lisa Nelson, Economic Development
Vectron

Jo Arthur, Executive, Director
Southern Indiana Development Commission

Jeff Pruitt, Acting Director
Indiana 15 Regional Planning Commission

Debra Bennett, Business Owner
Vizions, LLC

R.J. Reynolds, VP,
Toyota, Gibson County

Christy Bradley, VP & General Manager
West / GFI Pharmaceutical Services

Sally Rideout Lambert, Communications and Community Affairs Manager
ALCOA Warrick Operations – Evansville

Archie Brown, Vice President
Integra Bank

Gail Riecken, Director - Parks & Recreation
City of Evansville

Ronnie Cantu, Plant Manager
Azteca

Ken Robinson, President
Vision 2000 - Evansville Regional Economic Development Corporation

Dr. Robert Clark, Dean
University of Evansville - School of Business Admin.

Dan Schnek, Chancellor
IVY Tech

Judy Dicus - Thomann, Director
Southwest Regional Office
Indiana Dept. of Environ. Management

Jim Schonberger
E G and G Services

Jim Edwards
Business Consultant

Kenneth L. Sendelweck, President & CEO
German American Bancorp

Bud Farmer
Evansville Airport Authority, IN Ports Authority

Roger Tomes, Manager Field Customer Relations
Cinergy

Sue Gibbens, Consultant
Economic Development

Thomas "Tom" Utter, Executive Director
Lincolnland Economic Development, Inc.
Arthur Haase Dean, Technology Division  
Vincennes University  

Greg Wathen, Executive Director  
Perry County Development Corp.  

Elizabeth "Robin" Hamme, Sr. VP, Human Resources  
Accuride  

Judy Weatherholt, Executive Director  
Southwestern Indiana Regional Development Commission  

Dr. Ed Jones, Dean  
University of Southern Indiana Extended Services  

Connie Weinzapfel,  
Historic New Harmony  

Jeff Lake, President  
Downtown Evansville  

David J. Winenger, Director, Product Delivery  
Whirlpool  

Partners in the Region 11 Planning Team  

Region 11 Office  
Connie Fowler, Director  
Sarah Long, Program Manager  
Chris Griggs, Administrative Coordinator  
Kathy Noland, Indiana Dept. of Commerce  

Purdue University Extension Services  
Christine Nolan, Area Educator  

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

Strategic Development Group  
Thayr Richey, Program Manager  
Brian O'Neill, Project Manager  

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

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

About the Strategic Development Group  

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