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 will result 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 the Ball State University Center for Economic and Community Development. We want to express our gratitude to the many individuals in Region 5 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 5 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!

I am pleased to present to you the first Strategic Plan for Region 5 of the Indiana Department of Commerce, encompassing the counties of Benton, Carroll, Clinton, Tippecanoe, Warren and White. This plan represents a start in developing a new direction in economic development planning by recognizing that different parts of the State have different needs and opportunities, while at the same time sharing the common goal of being the best place in the Midwest and indeed the nation for businesses and residents.

Region 5 has a unique resource in Purdue University, which has embarked on a campaign to use its assets for the betterment of the state. And it has many other resources as well.

The Strategic Plan has been developed from your input to put those resources to work to achieve economic growth. It is a plan that will continue to evolve, but represents a starting point for directed efforts to make the identified “economic drivers” work for our companies and communities. In the coming year, we will continue to meet with our regional partners to develop implementation strategies and refine our goals and objectives.

Thank you for your participation in this effort. I hope that you will continue to be a part of this important process.

Sincerely,

Sherry McLauchlan
Director, Region 5, 2004
Indiana Department of Commerce
Region 5
Economic Development Strategy

Executive Summary

The Indiana Economic Development Council (IEDC) and the Indiana Department of Commerce (IDOC) have been working in partnership to create a new state economic development strategy and an individual strategy for each IDOC region. In each region the IDOC Regional Advisory Council (RAC) served as the process Steering Committee. The Region 5 Advisory Council has 16 members representing small and large businesses, government, education, economic development, chambers of commerce, unions and finance. The process was conducted, and the plan written within the framework of seven economic drivers:

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

The Region 5 Council held three planning sessions during which the members reviewed regional economic and demographic information provided by Purdue University and the Indiana University Business Research Center and participated in a regional strengths, weaknesses, opportunities and threats analysis. In addition to the work of the Advisory Board, in-depth input was gathered through surveys, focus groups, individual interviews and a public meeting. Guided by the information gathered, the Region 5 Advisory Council developed a vision for the future that reflects the values of the region's citizens and a set of seven goals that provide the framework within which the vision would be achieved.

1. Create an education and technical assistance network that will enable current and future businesses to increase their competitiveness in the global marketplace.
2. Build the capacity and the commitment to think and act on a regional basis.
3. Develop proactive strategies that reward innovative action by existing business leaders and entrepreneurs in their efforts to grow and develop new business.
4. Build an education and workforce development system that prepares workers to meet the needs of current and future employees.
5. Create collaborative relationships between government and the private sector to help streamline regulatory processes and maximize government effectiveness.
6. Build the infrastructure necessary to expand and diversify the regional economy and improve regional competitiveness.
7. Invest in the development of the region's physical, cultural and recreational environment by creating a strong sense of place and enriching the lives of current and future residents.
Region 5 is located north-west of the City of Indianapolis and is adjacent to the Illinois border. It comprises the Lafayette Metropolitan Statistical Area of Tippecanoe, Benton and Carroll counties plus Clinton County, Warren County and White County. Major cities include Lafayette, West Lafayette, Delphi, Frankfort and Monticello. Much of the region is rural with small to moderate sized county seat communities. The region has a fairly well developed transportation system. I-65 bisects the region running north to south and US 421 serves as a main arterial. State Roads 39, 25 and 29 crisscross the region. Norfolk Southern, CSX and Central Railroad all serve the area as do Purdue Airport and the Frankfort Municipal Airport. The region’s communities are diverse. Lafayette/West Lafayette is more urbanized and the most densely populated. Many of the counties could be described as primarily rural with some well developed cities and towns.
Profile of Region 5

Region 5 has numerous assets that provide the foundation for diversifying and growing the regional economy and improving the quality of life. Those assets include Purdue University, a major land-grant institution with a wealth of economic development related resources and Ivy Tech State College. Major employers include Purdue, Subaru-Isuzu, Caterpillar, Wabash National, Drug Plastics and Vanguard.

Currently Region 5 has a population of 252,038 and is projected to reach 260,914 by the year 2010. Between 1990 and 2000 the population grew by 11.2 percent compared to the state growth rate of 9.7 percent.

The 2004 unemployment rate in Region 5 was 4.4 percent 0.5 percentage points lower than the state’s unemployment rate of 4.9 percent. Per capita personal income in 2002 was $24,387 compared to the state at $28,032. Carroll County boasted the highest at $27,146 and Warren County the lowest at $22,450.

As indicated by commuting patterns Lafayette and West Lafayette are the primary economic hubs with 13 companies employing over 500 individuals. In 2002, the top three industry sectors in Region 5, in terms of employment – manufacturing (18.3 percent), Retail Trade (11.8 percent) and Healthcare and Social Services (7.0 percent) - account for 37.1 percent of Region 5’s employment. Regarding wages, the manufacturing sector has average earnings of $50,489 the highest in the region followed by Healthcare and Social Services at $41,469. Retail Trade stands at $19,114.
Region 5 Cluster Analysis

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. By adopting a cluster strategy, states and regions can maximize their competitive advantage in existing industries and build new strengths in the emerging industries that will replace older, declining sectors.

A cluster is “a geographic concentration of competing, complimentary or inter dependent companies that do business with each other and/or have common needs for talent, technology and infrastructure”.

Fourteen potential clusters were studied during the current process of creating the state economic plan. The same fourteen clusters that were studied for the state of Indiana as a whole were also examined for Region 5 and each of the remaining 11 IDOC regions. Owing to issues of data suppression for confidentiality reasons at the regional and local level, and to issues regarding the switch from SIC to NAICS codes, the regional cluster analyses have been conducted using a slightly different data sequence from the state analysis. Regional clusters have been studied for the period 2001-2003 (third quarter data).

Because of the short, three year time period, this analysis should be seen as a snap shot of the regional economy and does nor necessarily indicate long term trends. Subsequent analyses will be needed to expand this time series and improve knowledge about trend directions in the regional clusters. The analysis of Region 5’s cluster data nevertheless reveals some important points about the regional economy.

The fourteen clusters are:

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

In Region 5, these clusters were analyzed from several perspectives over a three-year period, including total employment, employment growth, wages and the growth in concentration in each cluster relative to the growth of those same clusters nationally. Chart 1 shows the size of employment in each of Region 5’s clusters, the degree to which employment in each cluster is concentrated in the area (compared to the nation) by the size of its location quotient, and the percent change in the size of the location quotients over the period 2001 to 2003.
Chart 1 – Region 5 Clusters

Region 5 Cluster Location Quotients and Change in Concentration, 2001-2003

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 concentrated. A “Mature” cluster refers to those that are specialized but are currently becoming less concentrated. The “Emerging” clusters are defined as those that are currently not specialized, but are becoming more concentrated in their particular grouping. The “Transforming” clusters are not specialized, and appear to be decreasing in concentration. In using these categorizations, however, it is important to note that the relative position of clusters can change in the short term.

Table 1 – Region 5 Changes in Employment and Concentration

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<thead>
<tr>
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<tbody>
<tr>
<td>Total, all industries</td>
<td>101,186</td>
<td>-4.9%</td>
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<td>Educational Services</td>
<td>10,741</td>
<td>2.1%</td>
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<td>Agribusiness, Food Processing and Technology</td>
<td>6,939</td>
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<td>Advanced Materials</td>
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<td>2.37</td>
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<td>Chemicals</td>
<td>2,791</td>
<td>-6.6%</td>
<td>1.43</td>
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<td>Environmental Technology</td>
<td>1,393</td>
<td>2.4%</td>
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<td>Advanced Manufacturing</td>
<td>13,462</td>
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<td>Forest and Wood Products</td>
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<td>-2.6%</td>
<td>25,966</td>
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<tr>
<td>Biomedical/Biotechnical (Life Sciences)</td>
<td>10,829</td>
<td>2.9%</td>
<td>0.86</td>
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<td>Arts, Entertainment, Recreation and Visitor Industries</td>
<td>2,465</td>
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<td>Advanced Logistics</td>
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<td>10.4%</td>
<td>0.64</td>
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<td>Information, Communications and Media</td>
<td>1,639</td>
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<td>0.59</td>
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<td>Advanced Business Services</td>
<td>3,336</td>
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<td>Earth Products</td>
<td>358</td>
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<td>0.51</td>
<td>-3.4%</td>
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<td>Information Technology</td>
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<td>-22.0%</td>
<td>0.48</td>
<td>-6.1%</td>
<td>39,874</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
Region 5 had five clusters in the “Star” category from 2001 to 2002: Educational Services; Agribusiness, Food Processing and Technology; Advanced Materials, Chemicals and Environmental Technology.

- The Educational Services cluster employs over 10,700 people in Region 5, about 10.6 percent of total employment in the region. Given the presence of Purdue University and an Ivy Tech campus in the region, it is not a surprise that the Educational Services cluster in Region 5 is almost four times as concentrated as in the nation. The presence of these and other educational institutions in the region confers many opportunities for workforce development, technological advances and technology transfer, product and process development and commercialization.

- The Agribusiness, Food Processing and Technology cluster in Region 5 employs almost 7,000 people and is very concentrated in the region. In 2003, employment in the Agribusiness, Food Processing and Technology cluster was almost three times more concentrated in Region 5 than in the nation at large. Sub-sectors within this cluster that have grown over the study period include ice cream and dairy product manufacturing, animal slaughtering and processing, snack food manufacturing, pesticides and other agricultural chemicals, and farm machinery. Sub-sectors that have shrunk in employment include oilseed and grain farming, and animal production. Average per capita payroll wages in this cluster in Region 5 are higher than cluster workers in the nation as a whole (126 percent).

- The Advanced Materials cluster, in part a sub-cluster of the Advanced Manufacturing cluster, is more than twice as concentrated in Region 5 as in the nation. This cluster provides almost 3,200 jobs in the region. A good number of these jobs are high pay jobs. The region’s 2003 average per capita payroll wage in Advanced Materials was $54,449, a little lower (92 percent) than average per capita pay received by cluster workers in the nation. The cluster has a concentration of employment in chemicals and alumina manufacturing.

- The Chemicals cluster in Region 5 employed almost 2,800 people in 2003 and is almost one and a half times as concentrated as in the nation. This concentration has grown from 2001 to 2003. The identification of a Chemicals cluster provides an alternate way to focus on a somewhat different mix of related manufacturing industries. In Region 5, this cluster includes industries manufacturing plastics, basic inorganic chemicals and agricultural chemicals. Chemicals and pharmaceuticals are important engines of economic growth for the state as a whole.

- The Environmental Technology cluster employs almost 1,400 people in Region 5. This cluster is currently weakly concentrated in the region; however both concentration and employment grew over the period. The cluster has a high comparative concentration of employment in Miscellaneous General Purpose Machinery manufacturing, Industrial Process Variable Instruments, Analytical Laboratory Instruments, and Other Measuring And Controlling Device manufacturing.
The Physical, Engineering and Biological Research sector within this cluster is also growing, although it does not yet form a concentration compared to the nation.

Region 5 had two clusters that fell into the “mature” category in 2003: Advanced Manufacturing and Forest and Wood Products.

- Advanced Manufacturing continues to serve as an important cluster for Region 5. In terms of employment, this is the largest of the clusters studied in Region 5, and provides almost 13,500 jobs in the region. With a location quotient of 2.6, employment in the Advanced Manufacturing cluster is over two and a half times more concentrated in Region 5 than in the nation at large. During the study period, the cluster lost almost 22 percent of its jobs; however it remains strongly concentrated due to even bigger declines in Advanced Manufacturing at the national level. The Advanced Manufacturing cluster in Region 5 includes high degrees of employment concentration in machinery manufacturing, turbine and power transmission equipment manufacturing, electronic instrument manufacturing, and transportation equipment manufacturing. Most of these sectors lost employment during the study period, however.

- The Forest and Wood Products cluster employs over 2,600 people. The cluster has declined in concentration and employment from 2001-2003. The cluster has localized concentrations of employment in wood container and pallet manufacturing, non-upholstered wood household furniture manufacturing, and “other furniture related product manufacturing” (blinds and shades).

“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. Of Region 5’s five “emerging” clusters, the Advanced Logistics cluster showed the highest increases in both employment and concentration during the three years from 2001 to 2003.

The other business and industry cluster that showed increases in both employment and concentration, the Biomedical / Biotechnical cluster, has a strong presence in Region 5. This cluster employs over 10,800 people within the region. Because the presence of a major research university in the region, and because of the aging of the Baby Boom generation, this cluster has the potential to be an increasing part of the region’s economic foundation.

Arts, Entertainment, Recreation and Visitor Services, Advanced Business Services and Information, Communications and Media are also “emerging” clusters for the region. Region 5’s level of specialized employment in these clusters is growing but remains far below the national average. At the same time, Advanced Business Services and Information, Communications and Media are among the key support clusters needed to sustain the growth of the major driver clusters such as Chemicals, Advanced Manufacturing and Advanced Materials. Another key support cluster, the Information Technology cluster, decreased in employment size and concentration over the study period.
The average payroll wage per capita for the region in the third quarter of 2003 was $30,586. This contrasts with a 2003 third quarter average payroll wage per capita in the U. S. of $36,637. The four clusters with the highest average payroll wage per capita in Region 5 were Advanced Materials at $54,449, Chemicals at $50,884, Advanced Manufacturing at $41,911, and Educational Services at $41,792. The four clusters with the lowest average payroll wage per capita in 2003 were Biomedical / Biotechnical at $34,421, Information, Communications and Media at $28,084, Forest and Wood Products at $25,966 and Arts, Entertainment and Recreation at $14,370.

Though there was uneven activity in some of the Region 5 clusters, in the time period between 2002 and 2003, it appears that Educational Services, Agribusiness, Food Processing and Technology, certain sectors of Advanced Manufacturing, Biomedical/biotechnical (Life Sciences) and Advanced Logistics, business and industry clusters may all play important roles in the region’s economy over the next 12 years.
Region 5 Vision, Goals, and Measurements

The following vision of the future was developed from the ideas and perspectives of those who participated in the planning process.

Region 5 Vision 2016:
By 2014 Region 5 will be recognized as the Midwest center for innovative business creation; with an entrepreneurial environment that supports a diverse economy positioned to capitalize on opportunities presented by existing and emerging business clusters in an environment that enriches the lives of current and future citizens.

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 5 Advisory Council has chosen seven goals for its economic development strategy.

Goal 1 - Create an education and technical assistance network that will enable current and future businesses to increase their competitiveness in the global marketplace.

Measurements:
An increased level of awareness and understanding of the global marketplace should result in increased business investment and in turn to increased job growth. Another measurement of success in this area would be an increase in the average wage.

Goal 2 - Build the capacity and the commitment to think and act on a regional basis.

Measurements:
Increasing the level of regional collaboration and coordination allows maximum use of resources. Identification of regional industry cluster/sector strengths will enable communities to collectively focus their business attraction, retention and creation efforts. If successful the effort should result in more business establishments and an increase in job growth.

Goal 3 - Develop proactive strategies that reward innovative action by existing business leaders and entrepreneurs in their efforts to grow and develop new business.

Measurements:
As resources and rewards are focused on creativity and innovation, success could be measured in a number of ways. One measure of success would be an increase in R&D expenditures as a percentage of total business expenditures. In the longer term a measure of success would be an increase in the number of patents held.
Goal 4 - Build an education and workforce development system that prepares workers to meet the needs of current and future employees.

Measurements:
An improvement in the workforce/education environment could result in across the board increases in education levels. Success in this region would be measured by an increase in the number of individuals with an Associate Degree, Certifications, or at least a Bachelor’s Degree.

Goal 5 - Create collaborative relationships between government and the private sector to help streamline regulatory processes and maximize the effectiveness of government services.

Measurements:
The success of collaborative efforts by the public and private sector to improve the business climate can also be measured by increases in business establishments and an overall increase in job growth.

Goal 6 - Build the infrastructure necessary to expand and diversify the regional economy and improve regional competitiveness.

Measurements:
A more advanced infrastructure, physical or technological should result in an increase in new business establishments, increased job growth and the possibility of more technology-based jobs that could result in an increase in average wage.

Goal 7 - Create a well-planned region with a diversity of recreational, cultural and entertainment options that enrich the lives of current and future citizens and enhance the visitor experience.

Measurements:
If quality of life manifests itself in an enhanced lifestyle for new young professionals, one measure of success would be an increase in the percentage of individuals over 25 years old with advanced degrees. Whether attracted or retained, the result would be an overall increase in population.
Drivers, Goals and Strategies

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.

Goal One: Create an education and technical assistance network that will enable the region’s current and future businesses to increase their competitiveness in the global economy.

2005 Action Items

1. Maintain a steady and easily accessible, flow of technical information pertinent to businesses operating in the global marketplace: quality standards, environmental issues, technicalities of exporting, best practices of international competitors etc. Delivery systems may include:
   - State or regional website
   - State or regional electronic newsletter
   - Creation of a Center for Global Business Assistance
2. With the input of successful global company leaders develop a series of ‘Competing in the Global Marketplace’ workshops and training sessions
3. Identify businesses that are fully engaged in the international marketplace and recruit a cadre of their executives who would agree to serve as mentors to companies newly entering the global arena

Long-term Directions

4. Expand business retention, expansion and creation efforts to incorporate a focus on the opportunities available in the international marketplace
5. Create an environment that offers a diversity of civic lifestyles, and embraces all cultures and nationalities
Driver 2: 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. Communities will succeed to the extent that they understand their regional economy and the economic development opportunities it offers to each locality.

Goal Two: Build the capacity and commitment to think and act on a regional basis.

2005 Action Items

1. Build upon the current Greater Lafayette Progress joint marketing and lead sharing initiative as a first step toward the development of a regional image, a regional marketing strategy and a regional marketing organization
2. Develop an identity based on regional assets and existing and emerging regional business ‘clusters’
3. Support the creation of a multi county, revenue sharing mechanism that will encourage the development of infrastructure and business activity at the regional level. (i.e., casino multi-county revenue sharing, multi-county Tax Increment Financing (TIF), etc.)

Long-term Directions

4. Encourage and expand cooperative efforts of local economic development organizations to identify funding to undertake and maintain a regional internal and external marketing effort
5. Maintain a geographically flexible definition of ‘region’
6. Form a committee of business executives, economic developers and Purdue experts to work with similar groups from Region 7 and Region 10, the Central Indiana Corporate Partnership and Bio-Crossroads to move forward the concept of the “life sciences corridor” between Lafayette/West Lafayette and Bloomington
**Driver 3: Business Innovation**

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

**Goal Three:** Develop proactive strategies that reward innovative action by existing business leaders and entrepreneurs in their efforts to grow and develop new businesses.

**2005 Action Items**

1. Improve access to technical assistance in exporting, modernization/technology applications, product/market development and business development information
2. Create a committee of local economic development professionals from across the region to identify and inventory “shovel ready” sites for the expansion of existing or location of new businesses
3. Organize a CEO Forum to discuss the issue of health care costs and explore the potential of alleviating the situation with some regional initiatives
4. Support Purdue University and their business creation resources (including technology transfer, business incubation and entrepreneurial education) by developing mechanisms to make these resources known and available throughout the region
5. Identify resources available to entrepreneurs and small business developers in the region and determine how best to deliver those resources region-wide and how to close any gaps in the programs and services offered
   - Seek to provide entrepreneurs across the region with access to incubation and technical assistance services
   - Fully utilize existing programs (the Venture Club, GLCDC Business and Real Estate Loan and Equity Funds) and expand the availability of, and access to capital
   - Encourage the development and/or expansion of youth entrepreneurship education programs
6. Support where possible those entrepreneurial initiatives that build on existing and emerging growth sectors

**Long-term Directions**

7. Seek more autonomy and more authority for the Regional Department of Commerce Offices
8. With other Regional Offices, pursue the creation of an ombudsman function in the IDOC Region 5 Office to assist with permitting issues, grant applications, identification of funding sources and technical assistance programs for existing and start-up businesses
9. With other Regional Offices, seek the authority for IDOC Regional Directors to make decisions on the use of economic development incentives and advise the state on the need for tools tailored to meet the needs of Region 5
10. Explore with Purdue Cooperative Extension Service staff, the possibility of conducting additional analysis on existing business clusters to identify their internal structure, their shared infrastructures and those businesses that function in multiple clusters.

11. Follow and utilize where possible, the efforts of the Central Indiana Corporate Partnership and Purdue University to build advanced manufacturing capacity and expertise.

12. In partnership with Purdue Cooperative Extension Services, review the BioCrossroads Agriculture Interim Report and the identified cluster and sub-clusters (Baking, Beverages, Canning, Dairy, grains, Miscellaneous, Pork and Beef, Poultry and Wood Manufacturing) for expanded or value-added business development potential in the rural areas of the region (www.biocrossroads.com)

13. Support the creation of incentives that reward companies for their efforts to remain competitive in the global marketplace not just their efforts to create jobs:
   - State tax credits for exports
   - Incentives related to revenue growth, increased investment or increased productivity
   - Incentives for doing business with other Indiana businesses
Driver 4: Workforce 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 Four: Build an education and workforce development system that prepares workers to meet the needs of current and future employers.

2005 Action Items

1. Promote greater collaboration between K-12 educators, business leaders and higher education to share information and address on-going concerns in the education-workforce development continuum. Region 5 concerns:
   - Basic skill levels in some students directly entering the workforce or Ivy Tech
   - The necessity to enhance options for high-school students who do not plan to pursue a four-year degree immediately upon graduation

2. Promote the development of business alliances that share similar training needs

Long-term Directions

3. Develop strategies to increase the percentage of individuals in Region 5 with an associates or four-year degree
4. Support the Workforce Investment Board, the Tecumseh Area Partnership (TAP), in the development of a Strategic Plan that addresses the concerns identified in this planning process
5. In partnership with TAP expand the application of the WorkKeys program region-wide
6. Promote a culture of life-long learning as an essential element of success in the knowledge-based economy
**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.

**Goal Five:** Create collaborative relationships between government and the private sector to help streamline regulatory processes and maximize the effectiveness of government services.

**2005 Action Items**

1. Help local elected officials play a more active and informed role in economic development by partnering with the Indiana Association of Cities and Towns (IACT) and the Association of Indiana Counties (AIC) and/or organizing a series of regional mini-workshops focusing on key community and economic development issues:
   - ED financing (Special taxing districts, Local Option Taxes, Tax Abatement)
   - Land Use Planning and Economic Development Strategic Planning
   - Government efficiency and effectiveness through collaboration, restructuring and/or use of technology

**Long-term Directions**

2. Work with government offices to streamline the permitting and regulatory process through the local, state and federal level
3. Distribute a quarterly, e-mail Economic Development Update to share the latest economic development related information with local elected officials and business leaders, including:
   - New or pending legislation
   - Successful applications of economic development tools in other communities or states
   - The latest economic development issues
**Driver 6: Infrastructure**

Each region must have adequate infrastructure that will enable it to compete. Infrastructure categories include: broadband telecommunications, water, sewer, power, and transportation. 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 Six:** Build the infrastructure necessary to expand and diversify the regional economy and make Region 5 competitive in the global economic environment.

**2005 Action Items**

1. Organize a committee to work with the utility company on the issue of natural gas prices affected by being geographically located at the end of the line
2. Create a Task Force to study the potential for expanding the capacity of the regional airport to handle freight
3. Support the efforts of the Tippecanoe Area Plan Commission and the Hoosier Heartland Corridor group to address regional infrastructure/transportation needs
4. Work with Purdue University or private consultants to expand current telecommunications assessment efforts to include all Region 5 counties

**Long-term Directions**

5. Explore the creation of a federally designated Economic Development District (EDD) that would have the responsibility for identifying and addressing regional infrastructure issues including roads/highways, sewer and water services, high-speed rail etc.
6. Based on the regional telecommunications assessment develop a strategic approach to expanding broadband access to un-served areas of the Region 5
   - Maintain awareness of state level initiatives
   - Explore the telecommunications technology currently being developed by Ball State University for use in East Central Indiana
Driver 7: 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, and recreational assets. Communities rich with technology-based businesses also offer an amenity rich environment that embraces diversity.

Goal Seven: Invest in the development of the region's physical, cultural, and recreational environment by creating a strong sense of place and enriching the lives of current and future residents.

2005 Action Items

1. Promote the economic and quality of life benefits of land use planning
2. Encourage utilization of existing infrastructure by promoting the continuation of redevelopment efforts to utilize exiting sites and buildings where ever possible
3. Marry tourism development to quality of life enhancement
   - Facilitate discussions between tourism professionals, attraction owners, the arts and other key groups to maximize tourism attraction while protecting and enriching the quality of life
   - Expand recreational and entertainment options for youth and young adults
   - Protect and fully utilize the river and lakes to enrich the quality of life for residents and encourage visitor attraction

Long-term Directions

4. Promote tourism development to help build a more self-sufficient economy and expand amenities for current and future residents
   - Support the existing regional tourism group in its creation of a regional tourism development strategy
   - Identify funding models for conducting tourism research and developing tourism attractions
   - Expand the number of visitor attraction opportunities in Region 5
     - Explore agri-tourism opportunities
     - Explore eco-tourism opportunities
Appendix 1

Region 5 SWOT: Strengths, Weaknesses, Opportunities and Threats Analysis

Introduction

The Region 5 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’s K-12 education systems are among the best in Indiana
2. Local Economic Development Offices (LEDOs) within the region are developing closer relationships with Purdue University
3. The economy appears to be growing
4. The Purdue University Technology Park number is ranked number one in United States (includes Gateways, SBDC, and Incubator)
5. Communities want to take part in economic development efforts (e.g. Vision 20/20, Hi Tech Task Force, and Venture Capital Club)
6. There are four networks in the Region 5 manufacturing sector
7. The region continues to have a strong industrial base
8. The region has an excellent transportation infrastructure – especially in interstate highways and rail
9. There is a diverse regional economy (including higher education, agriculture, and manufacturing)
10. Crawfordsville is ranked in the top 50 small towns in economic development in the United States
11. Retail is a strong sector
12. Tippecanoe County serves as a major medical center
13. Businesses have increased their education programs such as Six Sigma, which helps improve the workforce
14. The small business/entrepreneurial development programs are strong
15. Tourism is growing in the region and not just restricted to Tippecanoe County
16. There is interest from both the private and public sectors in improving the economy
17. There is a growing realization that economic change must take place
18. More cities are improving their information technology infrastructure
19. Parts of the region offer low utility costs (electric power and natural gas)
20. The Ivy Tech/Purdue University team brings educational opportunities to people in the region

Weaknesses

1. Indiana’s K-12 educational scores cannot be compared to those of other states
2. Passenger air service needs to be improved
3. Health care costs are impacting the region’s small businesses
4. Some counties in the region are seeing significant employment losses and accompanying decreasing school enrollments
5. New directions local and regional leadership should take in economic development are unclear
6. There is inadequate Information technology infrastructure in rural areas
7. Some parts of the region have relatively high utility costs
8. The region has an uneven distribution of low/moderate income housing
Opportunities

1. We can expect more new businesses graduating from the Purdue University Research Park and locating in the region
2. The region is well positioned geographically for economic development
3. The region’s natural assets - lakes, rivers, etc. – provide new opportunities for tourism, recreation, and a high quality of life
4. Our current industries can serve as a resource for attracting new supplier companies
5. Agriculture is providing a steady supply of raw product
6. There is a growing interest in agri-tourism
7. The cost of land gives the region a competitive edge for recruiting
8. The globalizing economy opens new markets for Indiana companies
9. Although it is a threat regarding potential regional job loss, China is a growing market for Indiana sales
10. Purdue University should give the region a competitive advantage in engineering employment

Threats

1. We are not protecting the natural environment sufficiently
2. Our lack of corporate headquarters hinders the region’s efforts to grow high-paying service sector jobs
3. There is a shortage of employees with the right skills
4. There are concerns about part of the region being cited as a possible non-attainment area
5. If we do not develop the right environment, we will have difficulty retaining new fast-growing companies
6. Globalization of the economy continues to threaten the region’s manufacturing base as well of the information technology sector
### Region 5 Economic Development – Planning Meetings 2004

<table>
<thead>
<tr>
<th>Meeting Type</th>
<th>Date</th>
<th>Location</th>
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<tbody>
<tr>
<td>Planning Session 1</td>
<td>July 29, 2004</td>
<td>Purdue Technology Center, West Lafayette, Indiana</td>
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<tr>
<td>Focus Group 1</td>
<td>September 13, 2004</td>
<td>West Lafayette, Indiana</td>
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<td>Planning Session 2</td>
<td>September 30, 2004</td>
<td>Vistech 1---Purdue Technology Park, West Lafayette, Indiana</td>
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<td>Planning Session 3</td>
<td>October 28, 2004</td>
<td>Purdue Technology Center, West Lafayette, Indiana</td>
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<td>Public Meeting 1</td>
<td>October 27, 2004</td>
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<tr>
<td>Focus Group 2</td>
<td>October 27, 2004</td>
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Region 5 Economic Development – Council Members and Participants

<table>
<thead>
<tr>
<th>Name</th>
<th>Organization</th>
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<tbody>
<tr>
<td>Jim Brickler</td>
<td>Benton County Extension Agent</td>
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<tr>
<td>Mike Brooks</td>
<td>Lafayette-West Lafayette Economic Development Corp.</td>
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<tr>
<td>Fred Carter</td>
<td>Clinton County Partners in Progress</td>
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<tr>
<td>Chip Cooke</td>
<td>Custom Building Products</td>
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<tr>
<td>Susan Davis</td>
<td>Greater Lafayette SBDC</td>
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<tr>
<td>Janet Dold</td>
<td>White County Chamber</td>
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<tr>
<td>Betty Doversberger</td>
<td>Ivy Tech State College</td>
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<tr>
<td>Sally Fahey</td>
<td>Tippecanoe County Area Plan Commission</td>
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<tr>
<td>Roger Feldhaus</td>
<td>Tecumseh Area Partnership</td>
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<tr>
<td>James Hardison</td>
<td>Indiana Packers</td>
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<tr>
<td>John Heimlich</td>
<td>White County Commissioner</td>
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<tr>
<td>Lee Hoard</td>
<td>Mayor of Delphi</td>
</tr>
<tr>
<td>Sanders Howse</td>
<td>Greater Lafayette Community Development Corp.</td>
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<tr>
<td>Jack Kelley</td>
<td>Tippecanoe Building and Construction Trades Council</td>
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<tr>
<td>Chris Larson</td>
<td>Kankakee Iroquois Regional Planning Commission</td>
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<tr>
<td>Sam Lombard</td>
<td>Indiana Precision Plastics</td>
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<tr>
<td>Jim Mann</td>
<td>Indiana Ribbon</td>
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<tr>
<td>Lloyd McGowen</td>
<td>TMF Center, Inc.</td>
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<tr>
<td>Bill Petranoff</td>
<td>Economic Development Cinergy/PSI</td>
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<td>Steve Pettet</td>
<td>Fowler State Bank</td>
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<td>Harold Redlin</td>
<td>BMT</td>
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<td>Thomas Rifner</td>
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<td>John Schneider</td>
<td>Assistant Vice President</td>
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<tr>
<td>Joe Seaman</td>
<td>Bank One</td>
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<tr>
<td>Gina Sheets</td>
<td>Economic Development Chamber of Commerce</td>
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<tr>
<td>Deb Waymire</td>
<td>WorkOne</td>
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<tr>
<td>Sharon Wood</td>
<td>Area IV Agency on Aging and Community Services</td>
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Partners in the Region 5 Planning Team

Region 5 Office
   Sherry McLauchlan, Director
Kathy Noland, Indiana Dept. of Commerce
Ball State University Center for Economic and Community Development
   Elaine Fisher, Director
Indiana Economic Development Council, Inc.
   Jackie Nytes, President
   Le Anh Long, Research Director

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

About Elaine Fisher and the Ball State University Center Economic and Community Development

Elaine Fisher has been the director of the Center since 1993. The Center conducts the Indiana Economic Development Course (EDC), one of 19 such programs offered nationally and accredited by the International Economic Development Council (IEDC). The Center provides customized local and regional programs and consulting services. They also compile the Toolbox Guide to Development Funds, a comprehensive listing of Indiana community & economic development funding. Elaine has received awards for her work in community strategic planning and community economic development education.

In 1999 Ms. Fisher received the inaugural Excellence in Leadership Award from the Indiana Economic Development Association. She has served on the boards of the American Economic Development Council (now International Economic Development Council), Mid-America Economic Development Council, and Indiana Economic Development Association. She graduated Magna Cum Laude from Ball State University with a degree in Human Resources Development. She is also a graduate of the Economic Development Institute, University of Oklahoma.

The Center was established in 1984 by the Indiana General Assembly as the Indiana Economic Development Academy. The Center for Economic and Community Development is a statewide public service unit of Ball State University. The mission of the Center is to help build self-sufficient Indiana communities by increasing the knowledge and ability of development professionals, government officials, and volunteers.