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FOX CITIES REGIONAL PARTNERSHIP

INITIATIVE **41**

A NEWay of Thinking



Overview

- I. An End to the Means
- II. Industry Diversification – “DoD Style”
- III. Implementing the Plan
- IV. Selling Regional Collaboration
- V. A Means to an End



I. An End to the Means

INITIATIVE 41

A NEWay of Thinking



REUTERS

U.S. defense cuts hit home at Ohio tank plant

U.S. defense cuts hit home at Ohio tank plant



U.S. defense cuts hit home at Ohio tank plant

myINTO THAT

Defense cuts starting to pinch economy

Defense cuts starting to pinch economy

San Antonio Express-News

Looming Army cuts fill Texas leaders with dread

Looming Army cuts fill Texas leaders with dread

Economic impact of major Army posts in Texas

PACIFIC BUSINESS NEWS

Military cuts and changing traveler will hospitality, union says

Military cuts and changing traveler will hospitality, union says

2/3 ARTICLES REMAINING

Tighter defense budgets are starting to pinch the nation's economy, slowing a sluggish recovery even before sharper spending cuts could kick in next year.

Military defense spending fell by about \$12 billion, or 3%, from October through May compared with the same period in the previous federal budget year, according to the Congressional Budget Office.

The Bureau of Economic Analysis, which measures defense-related spending more broadly, said last week that weaker defense spending shaved half a percentage point off first-quarter growth, instead of growing 2.4%, the economy grew 1.9%.

Already, defense contractors are feeling the effects. Lockheed Martin CEO Robert Stevens said recently that his company's workforce is 18% smaller than three years ago, and "the pace of our hiring has slowed."

community braces for impact of cuts

Cultivating change begins here.

More from Fox News

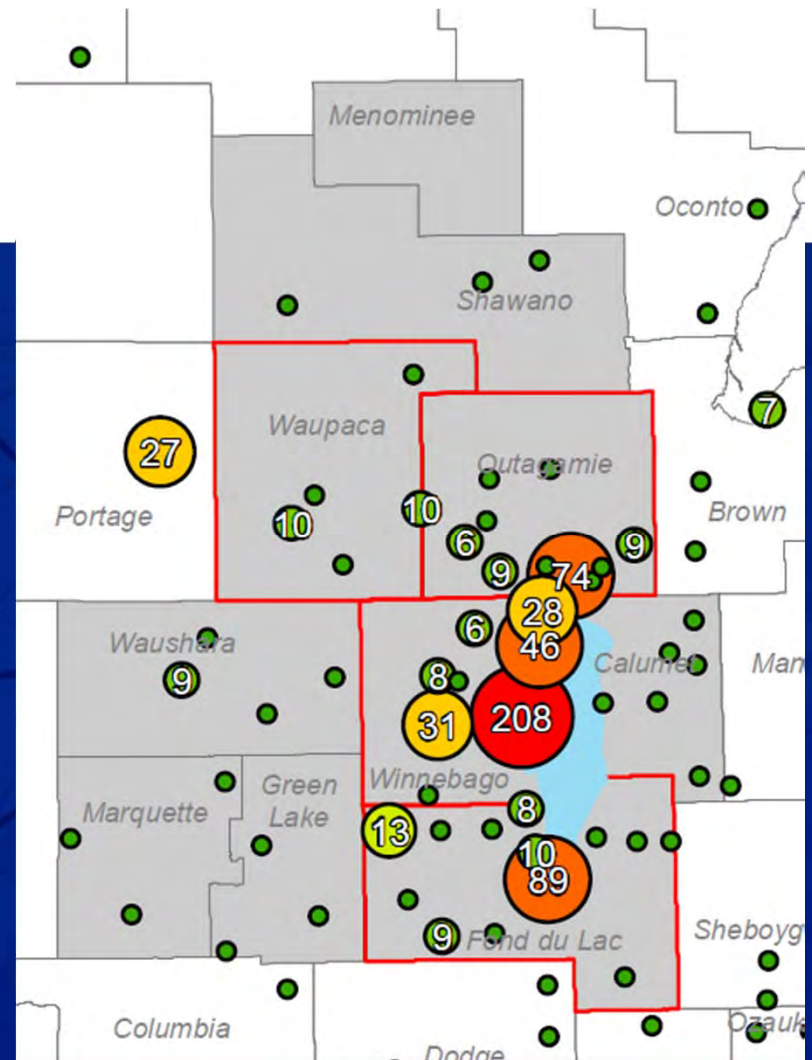
FOX NEWS



Direct Impacts



- 2012-13: 2,000+ jobs lost
- \$91 million annual negative economic impact to the region



Distribution of 1st 900 job layoffs



Direct Impacts

\$3.1 billion equating to 1.0% of Wisconsin's GDP (2014)

Percent of County GDP (2014):

- **Winnebago: 18.4% / \$1.7B**
- **Outagamie: 0.2% / \$26.9M**
- **Brown: 0.1% / \$20.9M**

1,700+ Defense Suppliers





Diversification & Resiliency





II. Industry Diversification “DoD Style”

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A NEWay of Thinking

Oshkosh Region Defense Industry Diversification Initiative (ORDIDI)



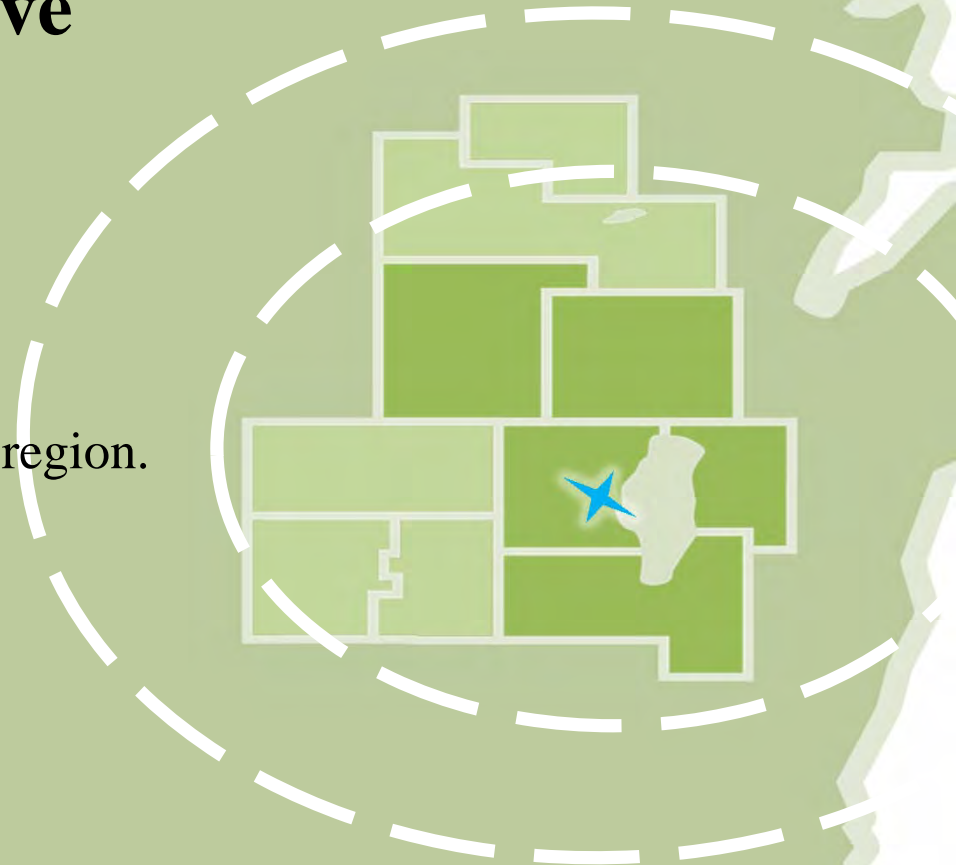
 East Central Wisconsin
Regional Planning Commission
ECWRPC
Calumet • Menominee • Outagamie • Shawano • Waupaca • Waushara • Winnebago



Oshkosh Region Defense Industry Diversification Initiative (ORDIDI)

Phase I Planning Grant

- \$2.1 Million Award from DoD-OEA
- Collaborative efforts that focused on the impact region.
- Acknowledgement of broader spillover of impacts and opportunities.
- Recognize external initiatives and entities.



Many Partners!

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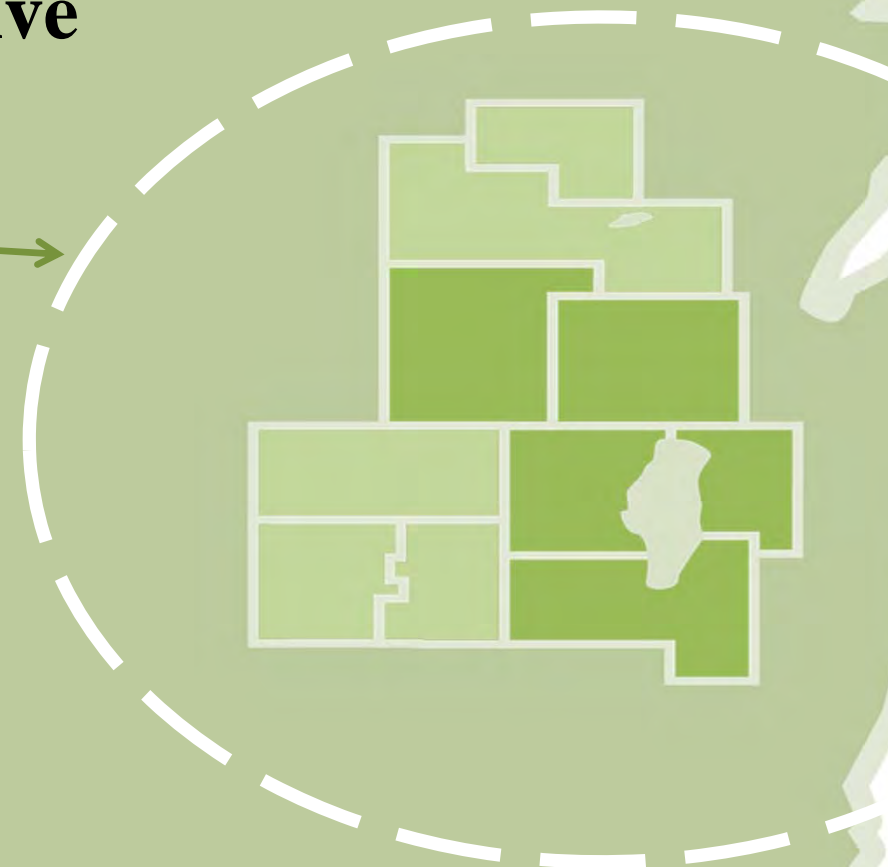


CITY OF OSHKOSH



Oshkosh Region Defense Industry Diversification Initiative (ORDIDI)

Direct Supplier Assistance
Diversification / Resilience



ORDIDI Direct Supplier Assistance

- **Provide services to expand the capabilities of the manufacturers and small businesses (supply chain) impacted by the reduction in Oshkosh Corporation production and procurement.**
- **Allow supply chain businesses to become more efficient, effective and competitive in defense and other diverse manufacturing markets.**

ORDIDI Direct Assistance Types

Assistance Type	Deliverable	Impact
Accelerate Lead Time Reduction	<ul style="list-style-type: none"> • Baseline assessment • Identify gaps • Improvement roadmap 	<ul style="list-style-type: none"> • Improved on-time delivery • Improved quality • Reduced cost
MPX Constraint Modeling	<ul style="list-style-type: none"> • Model throughput scenarios • Eliminate process constraints • Dynamic resource allocation 	<ul style="list-style-type: none"> • Greater capacity • Reduced lead-times • Productivity gains • Improved asset utilization
Quality Advantage	<ul style="list-style-type: none"> • Structured problem solving process • Corrective action process 	<ul style="list-style-type: none"> • Improved quality • Fewer defects
Enterprise Business Transformation	<ul style="list-style-type: none"> • Strategic repositioning • Strategic alignment 	<ul style="list-style-type: none"> • Improved market agility • Improved business strategy and tactical execution
ISO 9100 Quality Management System	<ul style="list-style-type: none"> • Gap Analysis • Implementation Assistance 	<ul style="list-style-type: none"> • New markets • Improved quality • Lower costs
AS9100C Aerospace Quality Management System	<ul style="list-style-type: none"> • Gap Analysis • Implementation Assistance 	<ul style="list-style-type: none"> • New markets • Improved quality • Lower costs
ExporTech for Supply Chain	<ul style="list-style-type: none"> • Entry into International markets 	<ul style="list-style-type: none"> • Business Growth
Market Diversification	<ul style="list-style-type: none"> • Assess core competencies • Market Research • Go-to-Market Strategy 	<ul style="list-style-type: none"> • Diversification • Business

ORDIDI Direct Assistance Stats

ORDIDI goal was to assist 20 companies

WMEP Direct Assistance Projects as of June 30, 2016	
Companies Identified through WEDC, WMEP, New North, FVTC, DWD	94
Companies contacted by WMEP	92
Companies responding to WMEP	69
Companies already diversified or not qualified for the grant	36
Signed Contracts	71
Diagnostic	30
Change Readiness	6
Gap Analysis	15
Project Implementation	20

ORDIDI Direct Assistance Stats

Number of Businesses Assisted by County		
	<u>Contracted</u>	<u>Project Implementation Completed</u>
Brown	5	4
Dodge	1	0
Fond du Lac	1	1
Green Lake	1	0
Marathon	2	2
Marquette	1	1
Milwaukee	2	2
Oconto	1	1
Outagamie	1	1
Ozaukee	2	1
Rock	1	1
Walworth	1	1
Washington	1	0
Waukesha	1	0
Waupaca	1	0
Winnebago	11	5
Total	33	20

Oshkosh Region Defense Industry Diversification Initiative (ORDIDI)

Direct Supplier Assistance

Defense Supply Chain Mapping
Diversification / New Markets



Supply Chain Marketplace: Directory Design

- ✔ **Linking defense suppliers to new market opportunities**
- ✔ **Directory capabilities**
 - Highlight company capabilities
 - Be searchable via keywords and categories
 - Be a connecting interface for business-to-business transactions
 - Organize suppliers for new go-to-market opportunities
 - Make locating suppliers as easy as entering a few key strokes
- ✔ **No cost to participate**



To Enter a Company Profile go to:

www.thenewnorth.com/directory-signup

SUCSESSES TO DATE

supply chain marketplace
one portal, one company profile, access to multiple markets

Home > Business Intelligence > Target Industries and Directories > Supply Chain Marketplace Directories

Building powerful supply chain alliances to ensure rapid market entry into multiple North America supply chain markets.

New North is leading a strategic market-supplier effort to introduce manufacturers to new market opportunities with the objective of expanded market exposure and diversification of customer mix to current defense suppliers.

Supply Chain Marketplace Directories will:

- Highlight company capabilities
- Be searchable via keywords and categories
- Be a connecting interface for business-to-business transactions
- Organize suppliers for new go-to-market opportunities
- Make locating suppliers as easy as entering a few key strokes

Participation in Supply Chain Marketplace Directories is FREE. Enter your company profile.

Contact Us

To indicate your interest in participating in the Supply Chain Marketplace, please contact Connie Loden of New North, Inc. Or send a general message to New North by visiting our [Contact us](#) page.

Senior Project Manager:
Connie Loden

Aviation and Aerospace Energy Systems Food and Beverage Water Industry

Defense Industry Supply Chain Lakeshore Manufacturing Directory Wisconsin Wind Works Marine Manufacturing

- ✔ As of today there are currently 337 companies with active profiles in the Supply Chain Marketplace Directory
- ✔ An opportunity for those involved in manufacturing for export and a potential opportunity related to wood based biofuels.
- ✔ A successful RFP distribution to companies related to Dane Counties RFP request on RIN Credits
- ✔ Exports related to businesses that did custom pipe manufacturing/bending.



Oshkosh Region Defense Industry Diversification Initiative (ORDIDI)

Direct Supplier Assistance

Defense Supply Chain Mapping

Aerospace Cluster Study
Identify Assets / Opportunities



CITY OF OSHKOSH



Regional Assets!



~550,000 attendance
10,000+ aircraft
800+ vendors
1,048 forums/workshops



Aerospace Cluster – Impetus/Parallel Activities

July 2009 – AeroInnovate hosts first Pitch & Mingle

September 2009 – Chamco creates Aviation Development Committee to support efforts to grow Wittman Regional Airport

March 2013- Winnebago County & City of Oshkosh purchase 80 acres adjacent to Wittman Regional Airport for development

September 2013 – City of Oshkosh awarded \$2M EDA grant to fund infrastructure for Oshkosh Aviation Business Park

September 2014 – Oshkosh Aviation Business Park Groundbreaking

November 2015 – Oshkosh Aviation Business Park infrastructure complete

Aerospace Cluster Study

Explorer Solutions

Research & identify innovative sustainable aerospace, aviation & defense concepts and niche projects.

- SWOT - Winnebago, Outagamie & Fond du Lac county airports
- Focus Groups/Interviews with local industry leaders, strategic partners, airports and community leaders
- Benchmark similar airports in North America based on runway length, use, demographics, economic regions, etc.
- Recommend and present four (4) niche clusters to Aviation Cluster Study Committee

Aerospace Cluster Study

Explorer Solutions → GOEDC

Prioritize/select niche cluster(s)

- Committee discussion to prioritize recommendations
- Gather feedback via stakeholder survey
- Committee selects two (2) niche clusters
 - Short-term solution (Maintenance/Repair/Overhaul – MRO)
 - Longer-term solution (Additive Manufacturing – 3D Printing)

Validation of chosen niche clusters

- Aerospace industry leaders
- Strategic partners
- State/federal/international levels

Oshkosh Region Defense Industry Diversification Initiative (ORDIDI)

Direct Supplier Assistance

Defense Supply Chain Mapping

Aerospace Cluster Study

UWO Start-Up Accelerator Program
Entrepreneurship / Aviation Cluster Development

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Regional Planning Commission
ECWRPC



AeroInnovate helps aéroinnovators from across the globe who are starting and growing aero-related businesses and bringing related new technologies to the marketplace.

- Workshops/Forums
- Investor Roundtable
- *Pitch & Mingle*
- One-on-One Connections
- Key Partnerships



Elizabeth Hartman

The Program

- **12 week intensive mentoring program**
 - 2 classes a year of 4-6 companies
 - Fall VenturExcel class; spring AeroInnovate class
- **Opportunity for up to \$30,000 seed financing**
- **Expertise**
 - Successful entrepreneurs
 - Business leaders
 - Service providers – marketing, IT, legal, accounting
- **Access to UW Oshkosh resources**
- **Opportunities to pitch to multiple investors**
 - Pitch and Mingle/
 - Angels on the Water
- **AeroInnovate class / booth space at AirVenture**

Oshkosh Region Defense Industry Diversification Initiative (ORDIDI)

Direct Supplier Assistance

Defense Supply Chain Mapping

Aerospace Cluster Study

UWO Start-Up Accelerator Program

Regional Collaboration Charrette & Training
Ec. Dev. Alignment & Action Plan



future→iQ
PARTNERS

 East Central Wisconsin
Regional Planning Commission
ECWRPC

Regional Collaboration Charrette – July 2014 to Feb 2015

OUTPUTS

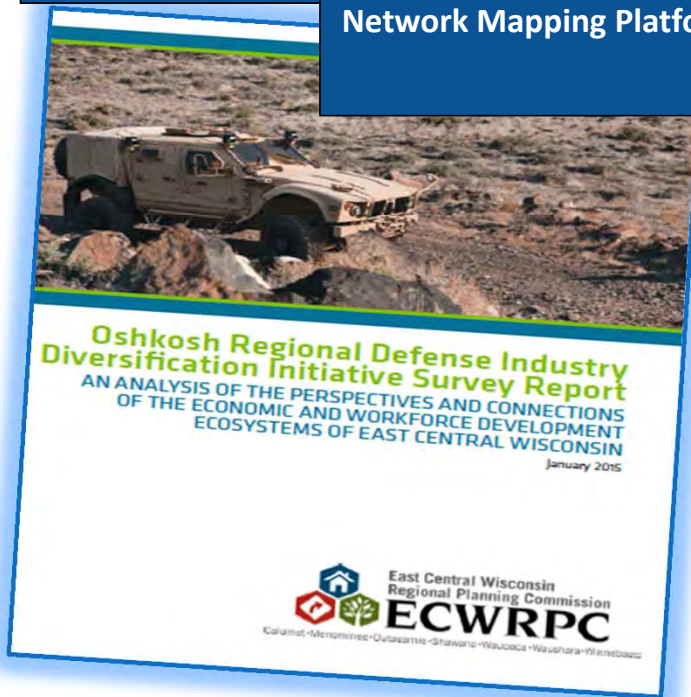
Ecosystem
survey research
report

Network Mapping Platform

Industry
Diversification
Option / Strategy

Regional
Collaboration
Strategy and
Action Plan

Mass Lay-off
aversion
strategy



www.ecwrpc.org

www.foxvalleynetwork.com



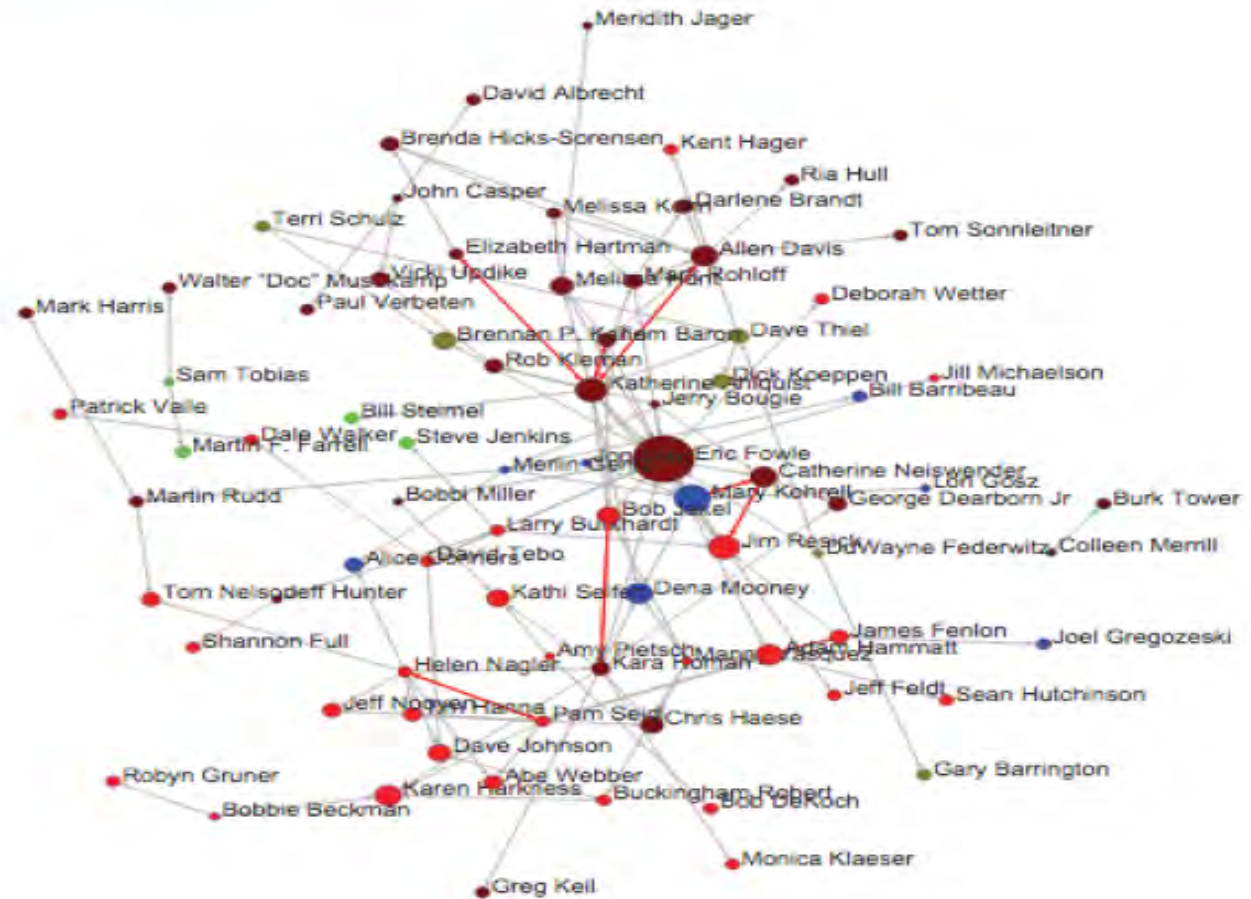
Research

- Conducted survey of 400 businesses in the region (10% response rate)
- Conducted survey of 169 Ec. Dev. Practitioners within region (37% response rate)
- “Network mapping” to identify gaps in regional economic development collaboration efforts

Regional Collaboration Charrette – July 2014 to Feb 2015

6.2 Community Development Map

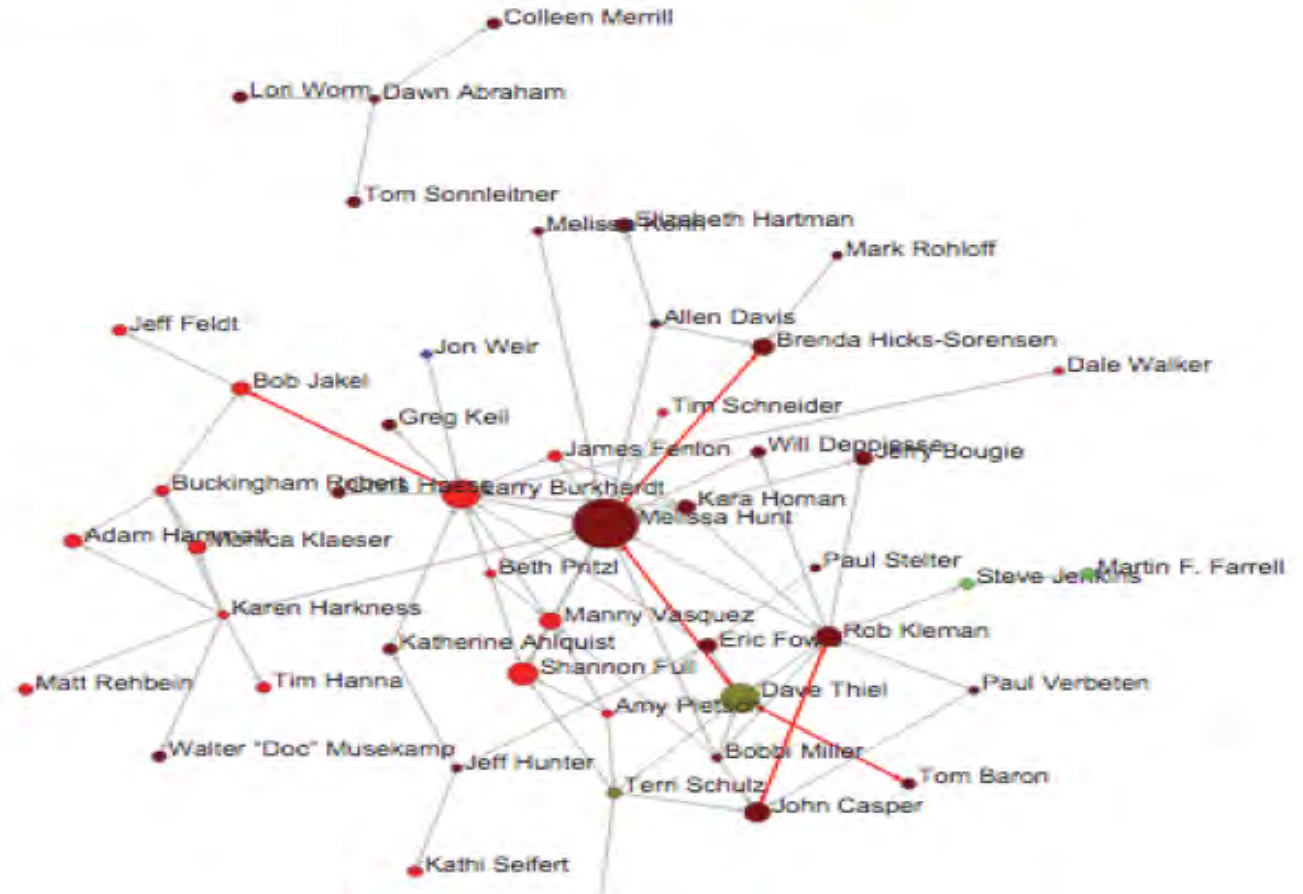
www.foxvalleynetwork.com



Regional Collaboration Charrette – July 2014 to Feb 2015

6.1 Business Retention/Expansion/Finance Map

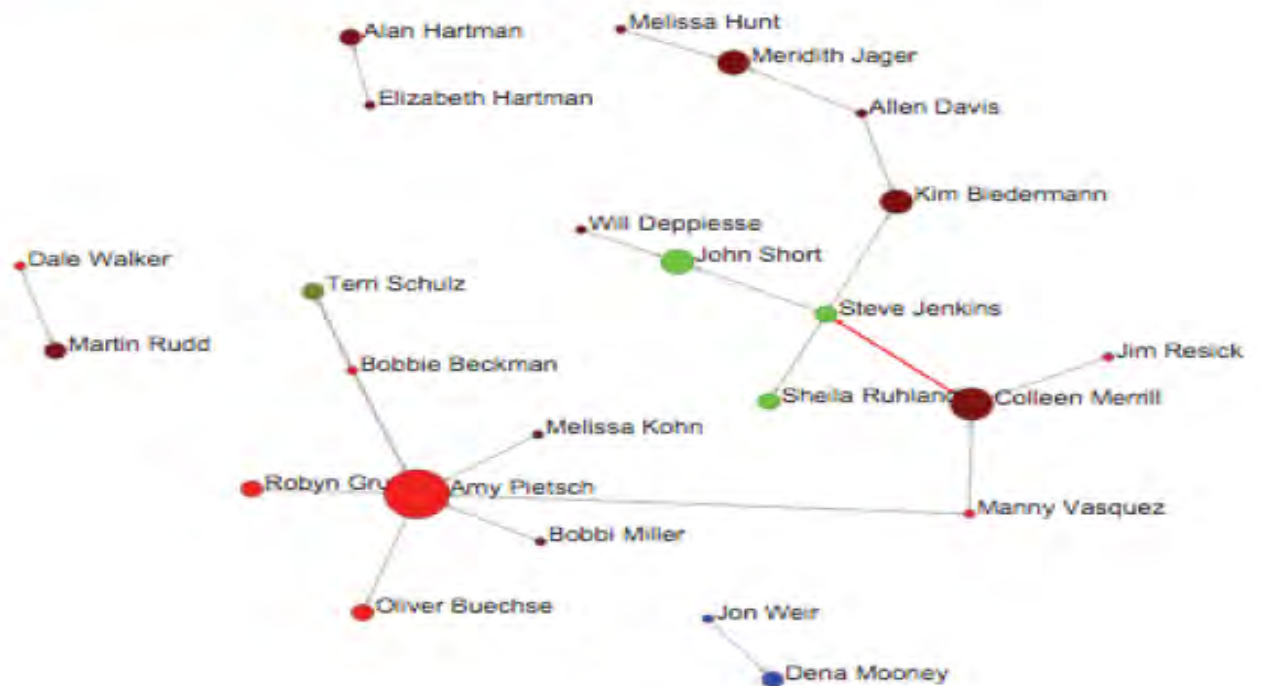
www.foxvalleynetwork.com

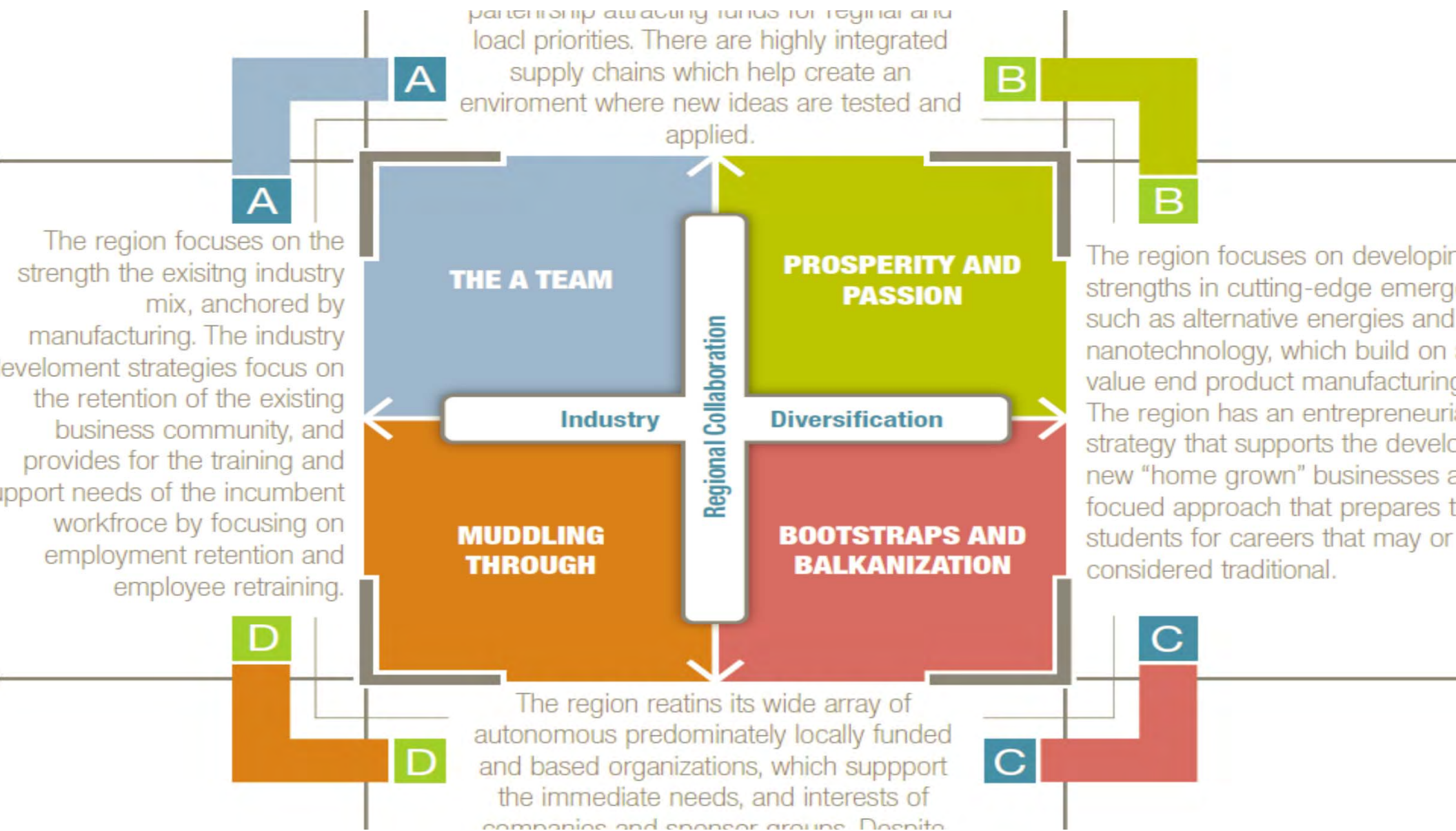


Regional Collaboration Charrette – July 2014 to Feb 2015

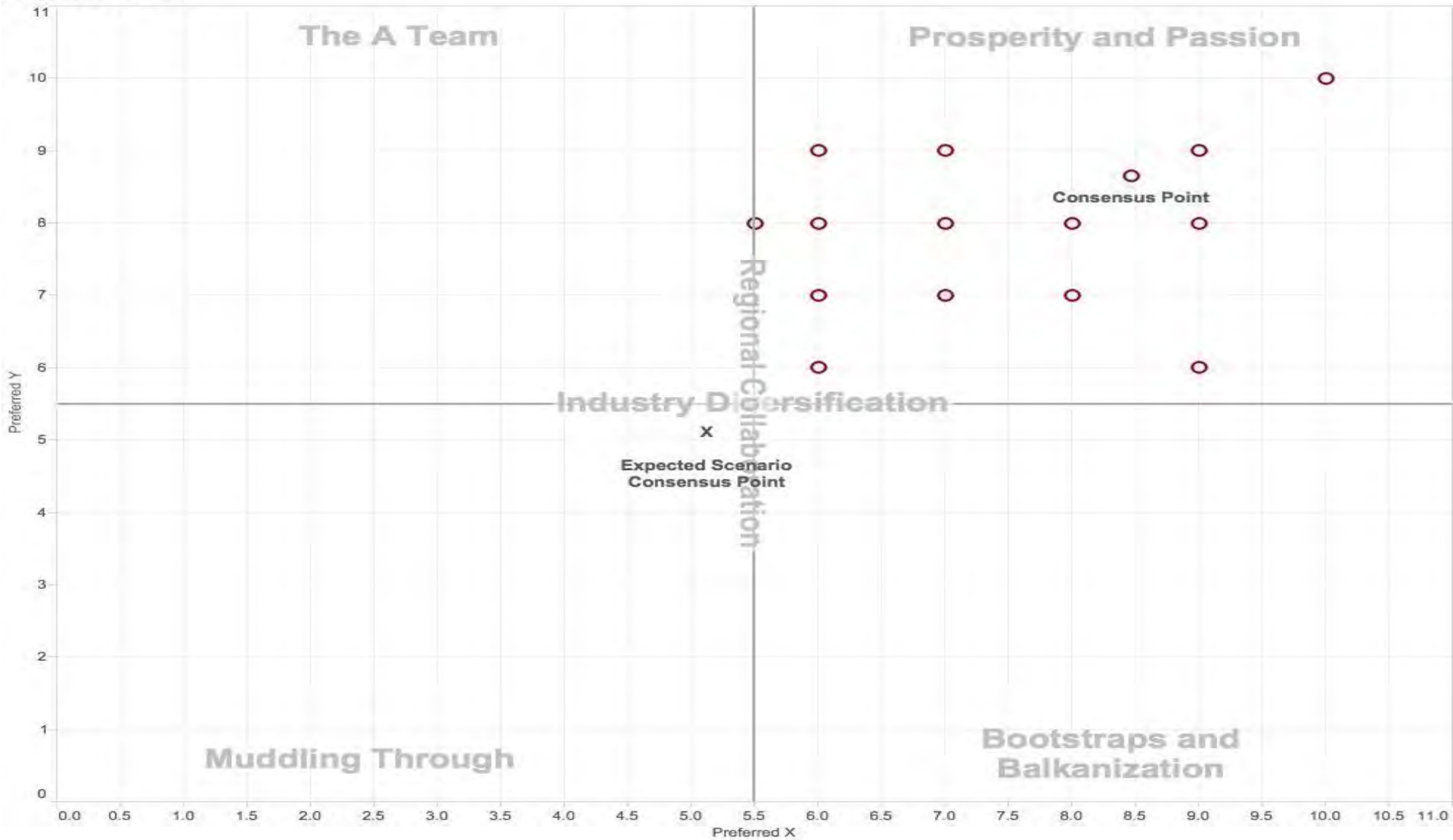
6.3 Entrepreneurial Support Map

www.foxvalleynetwork.com





Preferred Future





Need to Share Successes!

- **Supplier Diversification Assistance**
- **Industry diversification / finding new markets** (New North Supply Chain Marketplace)
- **Developing the Aerospace/Aviation Industry Cluster**
- **Encouraging and supporting innovation, business growth and entrepreneurial opportunities** (UWO Accelerators)
- **Promoting and building regional capacity along the I-41 corridor**



a NEWay of thinking.....



You Tube



Taking Action

- PLEASE VISIT
WWW.INITIATIVE41.ORG
- TO VIEW THE VIDEO



III. Implementing the Plan

INITIATIVE **41**

A NEWay of Thinking

Implementing the Plan



Newsroom | Available Sites | Newsletters | Contact Us | [in](#) [v](#) [t](#) [g+](#)

SELECT WISCONSIN | INVEST | ENTREPRENEURS | GROW | EXPORT | COMMUNITY | INSIDE WEDC

Home > WEDC Newsroom > State receives \$3.1 million federal grant to continue diversification of regional economy in East Central Wisconsin

Search News

STATE RECEIVES \$3.1 MILLION FEDERAL GRANT TO CONTINUE DIVERSIFICATION OF REGIONAL ECONOMY IN EAST CENTRAL WISCONSIN

Grant to Wisconsin Economic Development Corporation to support Initiative 41 — a collaborative effort to strengthen and diversify economy in region

OSHKOSH, WIS., AUGUST 23, 2016 – The Wisconsin Economic Development Corporation (WEDC) today announced it has received a \$3.1 million federal grant and will use the funds to work with the East Central Wisconsin Regional Planning Commission (ECWRPC) and more than 20 partners on an initiative to help create greater economic diversity in the region.

The grant from the U.S. Department of Defense will be used to support a new effort called Initiative 41, which focuses on how businesses, governments, universities and technical colleges can collaborate to spur economic development, entrepreneurship and industry diversification along the Interstate 41 corridor in Outagamie, Winnebago, Fond du Lac, Brown and Calumet counties.

The initiative is a continuation of efforts headed by ECWRPC and others to diversify the economy along the I-41 Corridor so that companies in the region are less susceptible to declines in defense spending.



Calumet • Fond du Lac • Menominee • Outagamie
Shawano • Waupaca • Waushara • Winnebago



Implementing the Plan





Action Plan Findings

- Industry base not as diverse as it should be
- We have gaps in the regional economic development/workforce service delivery & connectivity
- Low levels of public / private investment in regional economic development
- Need for more science, technology, engineering and mathematics (STEM) education

Department of Defense – Office of Economic Adjustment Grant

PHASE I Planning (ORDIDI) (2013-2016)



Direct Supplier Assistance (WMEP)



Defense Supply Chain Mapping (New North)



Aerospace Cluster Studies (C. Oshkosh)

PHASE II Implementation (Initiative 41) (2016-2018)

Profitable Sustainable Initiative (WEDC)

Supply Chain Playbook (WEDC)

Aerospace Cluster Initiatives (C. Oshkosh)

- Implement MRO Cluster and Additive Mfg. Cluster
- Aerospace Investment Fund
- Aerospace Talent Upload event
- Talent Retention & Best Practices Seminar
- Manufacturers Roundtable
- Supplier Symposium

Regional Entrepreneurial Development System (FCEDC)

Start-Up Accelerator Program (UW-Oshkosh)

- AeroInnovate Accelerator Program Operation
- InVentureXcel Program
- Growth Management Academy
- MentorMatch Program (on-line platform)
- Succession Planning & Agile Strategy for Family Businesses

Regional Capacity Building (ECWRPC)

- “Corridor” Training/Speakers
- ArcGIS “Story Map” for Economic Development Entities
- I-41 Corridor Economic Development Strategy
- I-41 Corridor Organizational Development
- In Force Network Deployment
- Regional Outreach & Promotion

Start-Up Accelerator Program (UWO)

Regional Collaboration Charrette & Training (EC)

These 3 efforts are being administered by the WEDC

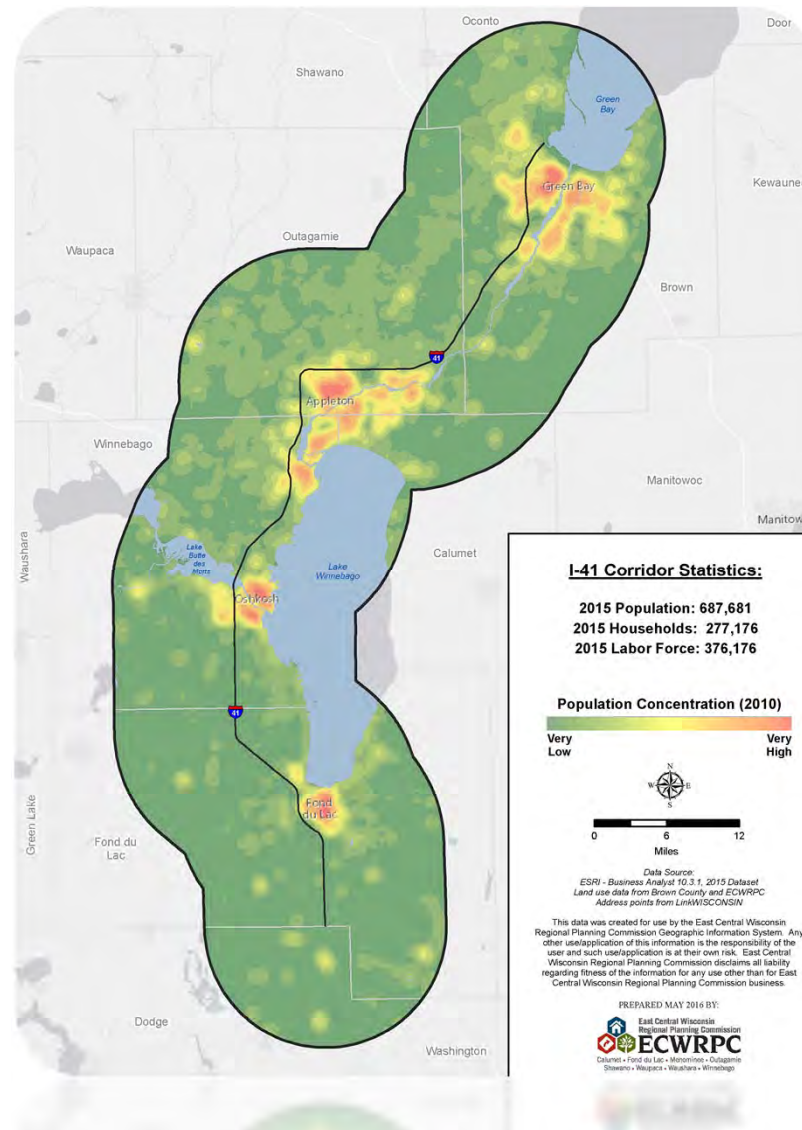


IV. Selling Regional Collaboration

INITIATIVE **41**

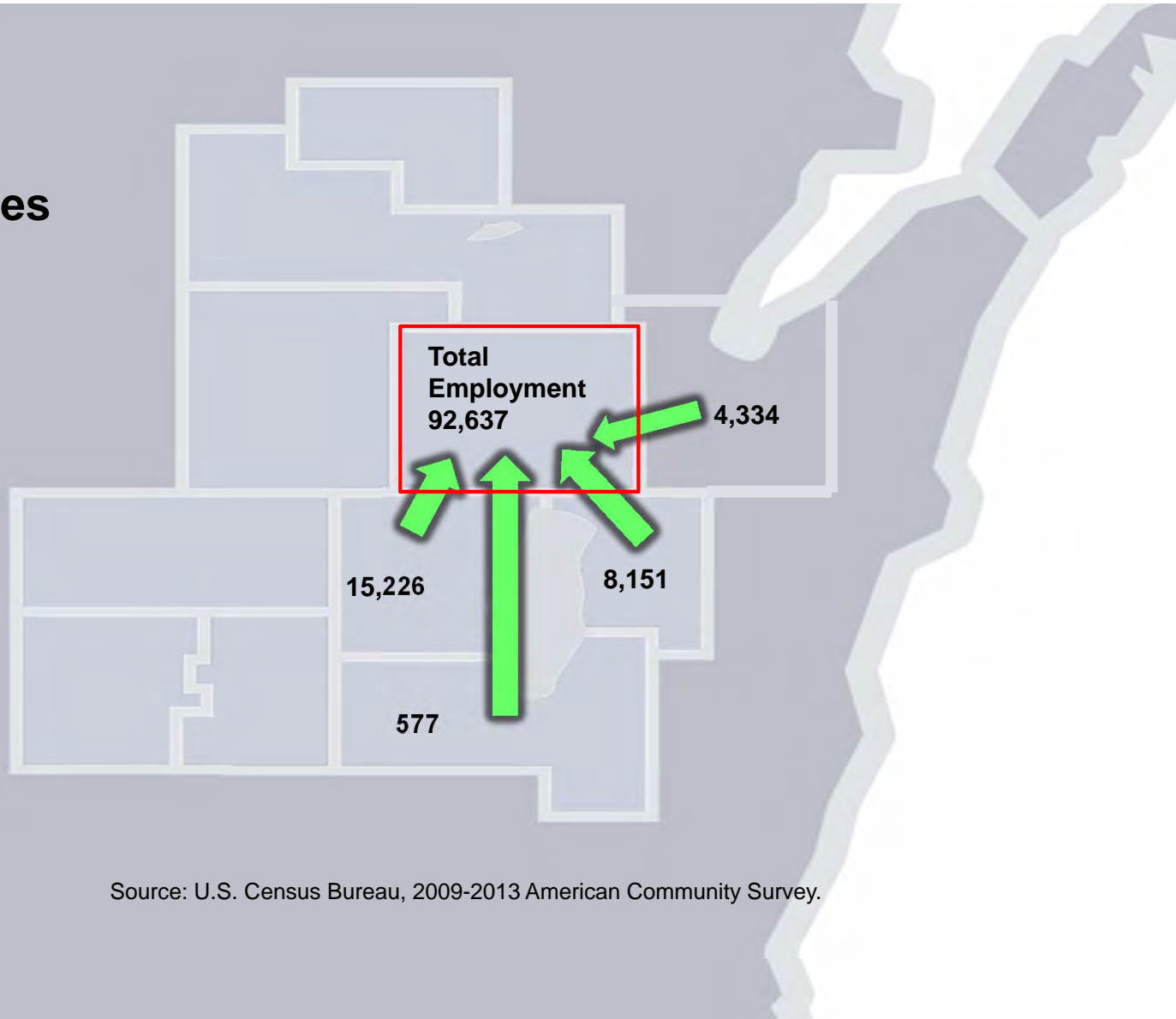
A NEWay of Thinking

WHY?



Outagamie County

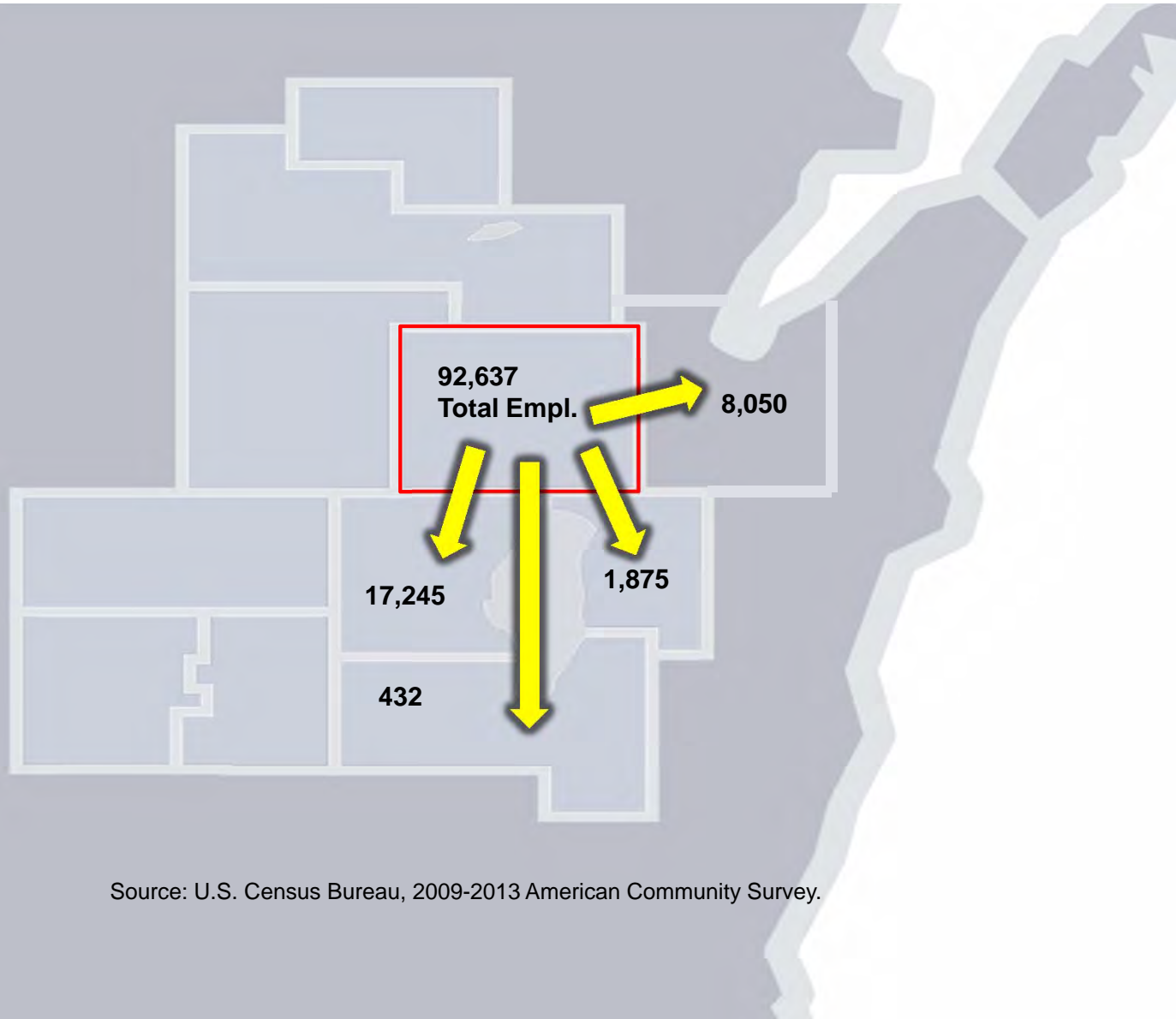
30.5% of workforce commutes
FROM
one of the other four I-41
Corridor Counties.



Source: U.S. Census Bureau, 2009-2013 American Community Survey.

Outagamie County

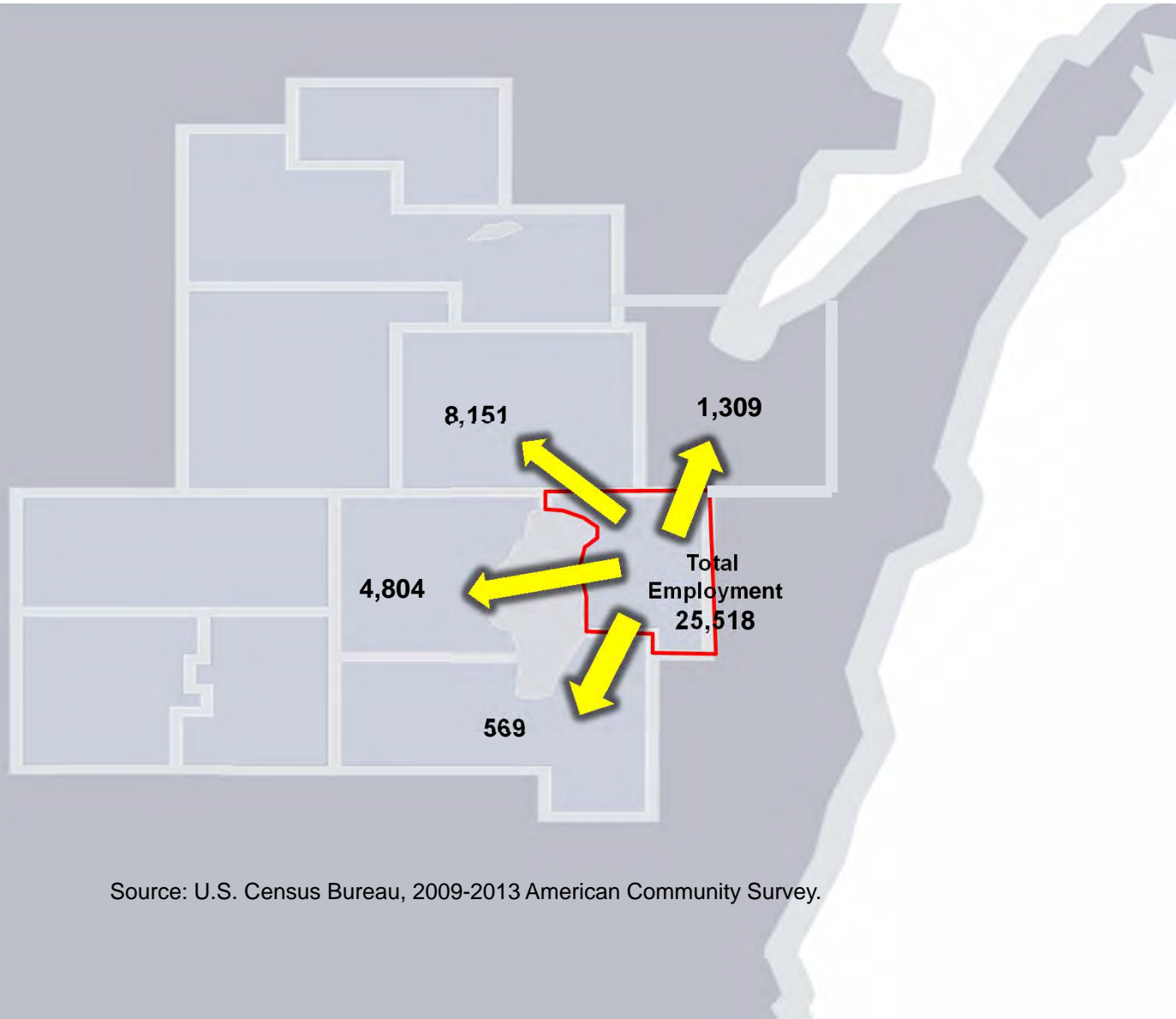
29.8% of workforce
commutes **TO** jobs within
one of the other four I-41
Corridor Counties



Source: U.S. Census Bureau, 2009-2013 American Community Survey.

Calumet County

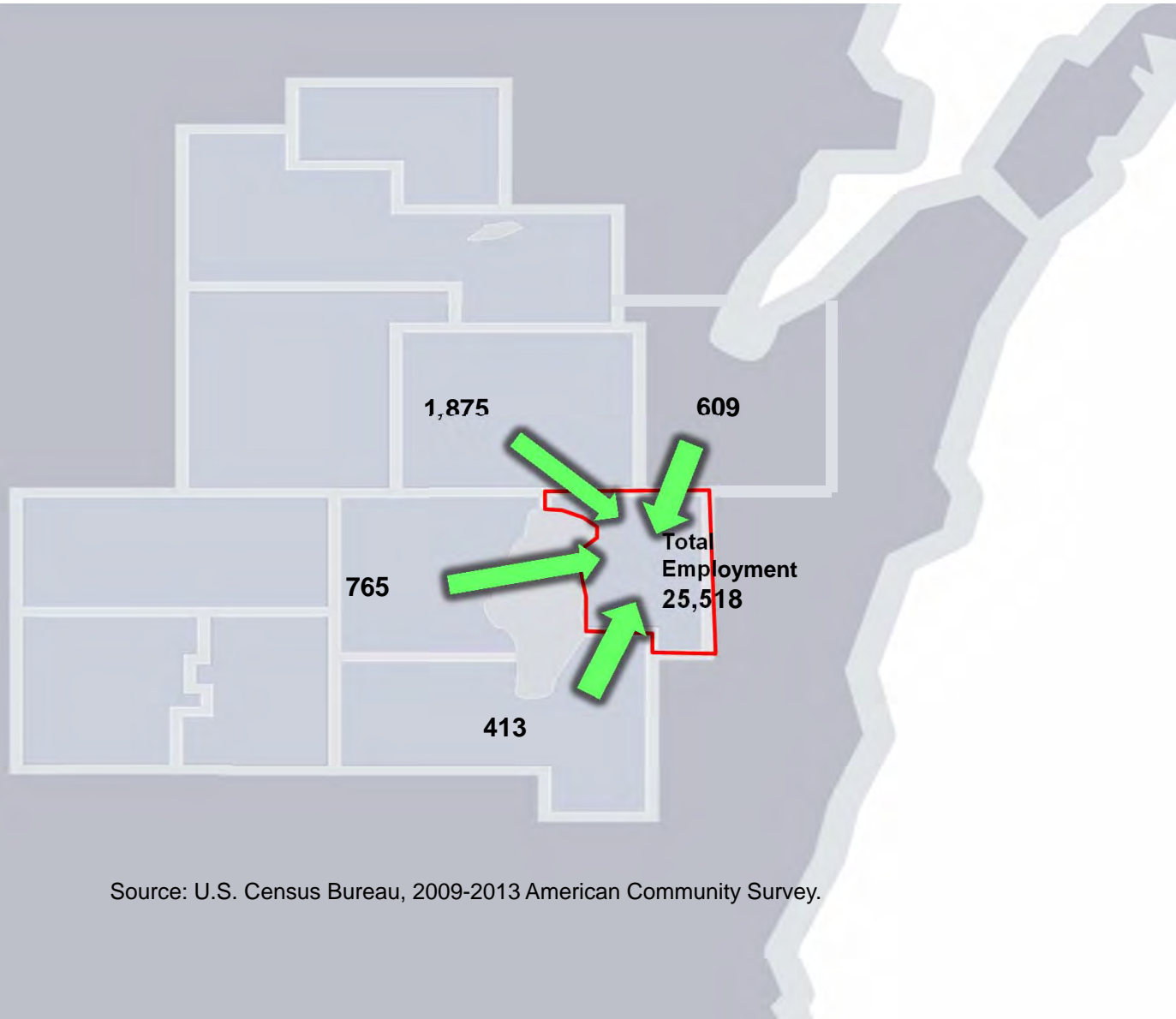
58.1% of workforce
commutes **TO** jobs within
one of the other four I-41
Corridor Counties



Source: U.S. Census Bureau, 2009-2013 American Community Survey.

Calumet County

14.4% of workforce
commutes **FROM**
one of the other four I-41
Corridor Counties.



Source: U.S. Census Bureau, 2009-2013 American Community Survey.

I-41 Workforce Commuting Patterns

County	Leaving County	Coming into County	Net Import / (Export)
Brown	12,392	10,760	(1,632)
Outagamie	31,531	28,288	(3,243)
Calumet	17,209	3,662	(13,547)
Winnebago	23,411	26,853	3,442
Fond du Lac	15,515	3,905	(11,610)

Source: U.S. Census Bureau, 2009-2013 American Community Survey.



WISCONSIN

I-41 corridor

driving business forward



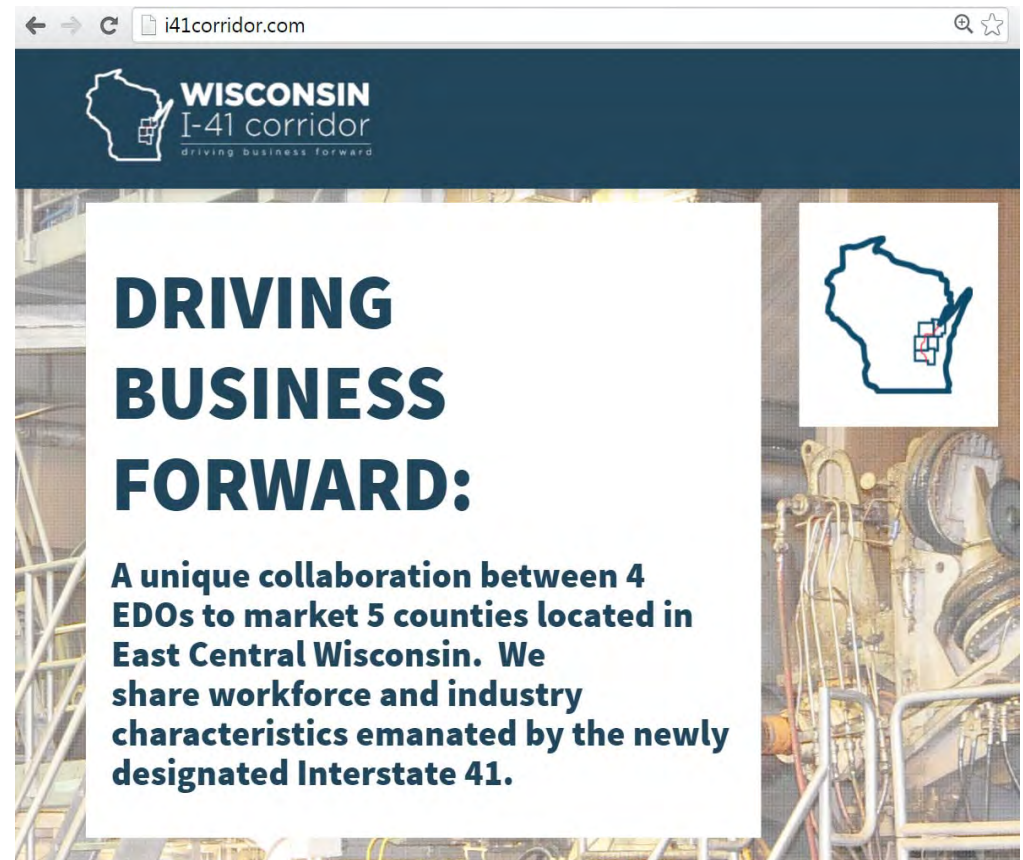
OSHKOSH CHAMBER OF COMMERCE

Who are we, what are we not?

- Objectives, mission
- Partners, process
- MOU, engagement w/ stakeholders



- Keep it targeted, simple & measurable
- www.i41corridor.com



Market Regional Assets & “Critical Mass”

← → ↺ i41corridor.com/industry/ 🔍 ☆ 📱

WISCONSIN
I-41 corridor
driving business forward

NAICS	INDUSTRY	EMPLOYMENT	AVG. ANNUAL WAGES	LOCATION QUOTIENT
3221	Pulp, Paper, and Paperboard Mills	6,605	\$69,351	22.87
3336	Engine, Turbine, and Power Transmission Equipment Manufacturing	3,264	\$62,893	11.41
3222	Converted Paper Product Manufacturing	8,624	\$63,021	11.25
3332	Industrial Machinery Manufacturing	3,058	\$60,959	9.38
3115	Dairy Product Manufacturing	3,375	\$59,315	8.58
3333	Commercial and Service Industry Machinery Manufacturing	1,794	\$55,003	6.97
1121	Cattle Ranching and Farming	2,459	\$31,804	5.63
3114	Fruit and Vegetable Preserving and Specialty Food Manufacturing	2,734	\$46,971	5.60

INNOVATION THROUGH COLLABORATION

Four communities who share a well-educated, highly-skilled and productive laborshed, have come together to show you why you should bring your clients to Wisconsin's I-41 Corridor.

POPULATION: 763,244

LABORFORCE: 410,882

LABORFORCE PARTICIPATION RATE: 69.1%

Industry	Avg. Annual Wages	LQ
Pulp, Paper, and Paperboard Mills	\$69,351	22.87
Engine, Turbine, and Power Transmission Equipment Manufacturing	\$62,893	11.41
Converted Paper Product Manufacturing	\$63,021	11.25
Industrial Machinery Manufacturing	\$60,959	9.38
Dairy Product Manufacturing	\$59,315	8.58



Collaboration in action: 2016 site selector fam tour



WISCONSIN
I-41 corridor
driving business forward

YOU AND A GUEST ARE INVITED
Tuesday, October 18 - Friday, October 21

Join us for two days and three evenings along one of the country's newest designated interstates. Learn why the I-41 Corridor is one of the most innovative and productive regions in the nation.

**FIVE COUNTIES.
ENDLESS OPPORTUNITIES.**



OSHKOSH CHAMBER OF COMMERCE
ADVOCACY • COMMUNITY DEVELOPMENT • LEADERSHIP

please register and learn more at:
i41corridor.com/famtour-2016/



V. An End to the Means

INITIATIVE 41

A NEWay of Thinking

INITIATIVE 41

A NEWay of Thinking

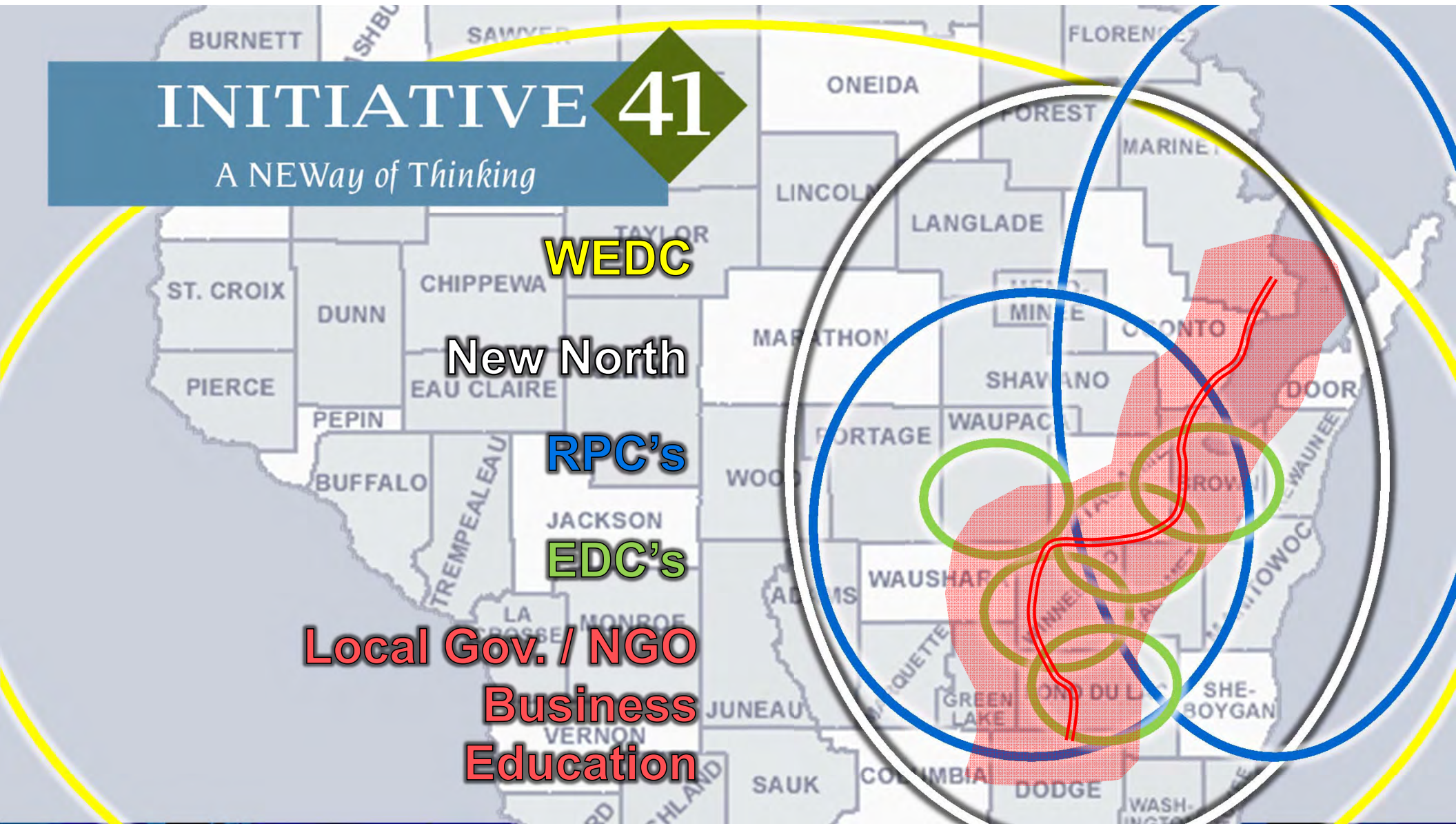
WEDC

New North

RPC's

EDC's

**Local Gov. / NGO
Business
Education**





A NEWay of Thinking

Old ways of thinking:

- Isolation
- Boundaries
- Competitiveness
- Doing more with less
- Silo'd thinking
- Being humble, ignore assets
- Complacency
- That's the way it's always done

NEWays of: thinking

- Communicating
- Sharing resources
- Cooperating
- Investing
- Leveraging collective assets
- Sharing regional success
- Developing champions
- Innovative thinking



A NEWay of Thinking!

- Keep doing what you're doing, but also join together in recognizing and understanding the connectivity of area businesses and workforce along I-41.
- Encourage, participate in, and celebrate collaborative efforts that benefit the I-41 corridor/region
- Increase investments in “regional” economic development activities (\$ or time)





Start Acting NOW!

Support and promote ongoing efforts:

- (New North) Supply Chain Market Directory
- I-41 Corridor Regional Marketing Efforts
- I-41 Corridor Airport Collaboration

.....and get involved in the new ones!



For this to be successful.....

**It takes trust, commitment
and passion**



Our Ultimate goal?

Create thriving communities





Thank You!

www.initiative41.org

INITIATIVE 41

A NEWay of Thinking