

# Momentum

TREO's e-newsletter

March 2006 | Issue One



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## ROAD TRIP!

*Destination: Austin*

How does a diverse community collaborate and work together to achieve a common vision? TREO plans to explore Austin, TX, which has achieved national prominence as a growing and vibrant region with all parts of the community – arts, culture, education, business, and public sector – working together in a spirit of convergence.

From May 21-23, we plan to learn how Austin made it happen and continues to prosper as a place for business leadership and synergy. A new program for TREO, this city-to-city exchange unites greater

## Welcome to *Momentum*

Need the latest in economic development news? You are reading the very first edition of our new e-newsletter, *Momentum*, designed to inform Investors and community partners of TREO programs and events in response to greater Tucson's growth and expansion challenges.

This e-newsletter will hit your in-box each month. We promise to make it easy to read and filled with critical news you need to know. Your feedback is important to us! Send us an email and tell us what you think. If you wish to be removed from this distribution list, please send an email to [Catherine.Strickland@treoaz.org](mailto:Catherine.Strickland@treoaz.org)

## President's Message

### *Off and Running*



On my very first day at TREO last August, a major manufacturer was in town (later we announced Pella Corporation with 450 jobs) and my calendar began filling up with community meetings and opportunities for input. It was a critical time for me to listen to our challenges and build ideas around opportunities. Within weeks, our first year action plan was born.

TREO is off to a fast start. In this issue, you'll read about analysis and studies we are doing to plan for this region's growth over the long term future. Many of you already know that I feel it is critical for us to develop long term strategies based on good analysis. Stay tuned for results of our Perception Study and Economic Blueprint plans.

But business challenges and opportunities occur each and every day in Tucson, and I am proud of what we are accomplishing NOW. During TREO's first 8 months, we have:

- Assisted over 578 local companies with problem solving and advice on key business issues
- Assisted 27 companies with \$2.6 million in job training grants
- Built key relationships with national site selector community
- Started a comprehensive Research Program
- Generated 45 project successes valued at \$3.6 million in new local business, in addition to \$5.3 million in the works, via the BusinessLINC program

Tucson's most influential civic and business leaders with those of other cities, providing an opportunity for dialogue and exploration of solutions to common issues.

Topics Include:

**Uniting the Community** – *One Vision Regionalism - Municipalities Working Together*

**Workforce Development** – *How Austin Met the Challenges*

**Downtown Development** – *Private/Public Partnership Success Stories*

**Tech Commercialization and**

**Incubation** – *University of Texas Success*

For more information about this trip, contact Tom Moulton at 243-1955 or email [Tom.Moulton@treoaz.org](mailto:Tom.Moulton@treoaz.org)

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## FAST FACTS

### **Recent Rankings Put Tucson on the National Radar**

**Tucson is the 11th of America's 50 hottest cities** for business climate, workforce quality, operating costs, incentive programs, and ease of working with local political and economic development agencies.

*Expansion Magazine, January/February 2006,*

<http://www.expansionmanagement.com/smo/articleviewer/default.asp?cmd=articledetail&articleid=16977&st=5>

**University of Arizona's Eller Center/McGuire Entrepreneurship Program ranked 2nd in the nation in 2005 Top Ten entrepreneurship program rankings.**

*Entrepreneur Magazine, April 2005,*

<http://www.entrepreneur.com/topcolleges/0,6441,,00.html>

**Arizona ranked 21st on US average with 10.20% per capita income of state/local taxes.**

*Money Magazine, February 2006,*

<http://money.cnn.com/pf/features/lists/taxesbystate2005/>

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- Aggressively recruited the Pella Corporation, resulting in over 450 jobs for our workforce
- Launched our First Year Action Plan, staff structure, and budget

These accomplishments could not have been possible without the support, leadership and direction of TREGO's Board of Directors. I want to thank all of our Board members--private sector, public sector and educational leaders--for working in a spirit of cooperation to move this community's economic development efforts forward into the future.

There are many challenges ahead as we begin to function as the region's "one stop" resource for economic development. National site selectors view our transportation network as an issue. Thus, we urge you to vote Yes for the new RTA plan on May 16 th - It is vital for our economic future. We also continue to hear about availability and quality of workforce issues both from existing businesses and site selectors. We must have a quality labor force to attract new businesses to our community. We will be tackling these issues in the months to come.

Your feedback and leadership is encouraged!

Joe Snell  
President & CEO  
520-243-1970  
[Joe.Snell@treoaz.org](mailto:Joe.Snell@treoaz.org)

## Perception Study Results Unveiled

### **Do our strategies contribute to our future success?**

Attend TREGO's first Community Luncheon and discover how local business leaders and national site selectors view the Tucson area as a place to do business. Is what we think we have to sell attractive to companies looking to relocate or expand? Learn where the gaps lie and participate in discussions on how we will address both issues and opportunities as we plan for the future of the Tucson region.

**Friday, April 7, 2006**

**11:30 am - 1:00 pm**

Westin La Paloma Resort & Spa  
3800 East Sunrise Drive

\$25/pp or \$250/table of 10 -- Investors  
\$50/pp or \$500/table of 10 -- Non-Investors

RSVP by Tuesday, April 4th to Christy Arnaudov at 520.243.1900 or [Christy.Arnaudov@treoaz.org](mailto:Christy.Arnaudov@treoaz.org)

[Christy.Arnaudov@treoaz.org](mailto:Christy.Arnaudov@treoaz.org)



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**TREO BOARD OF DIRECTORS:**

**Robert Walkup**, Co-Chair  
Mayor, City of Tucson

**Sharon Bronson**, Co-Chair  
Acting Chair, Pima County Board of Supervisors

**Elizabeth Gonzalez-Gann**, Treasurer  
President, Janco Janitorial

**Francie Merryman**, Secretary  
Senior Wealth Strategist, Northern Trust Bank, N.A.

**Bob Cashdollar**  
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**Richard F. Imwalle**  
Chairman, Metropolitan Tucson Chamber of Commerce

**Mark Mistler**  
President, Compass Bank

**Dr. Peter Likins**  
President, University of Arizona

**Dr. Roy Flores**  
Chancellor, Pima Community College

**Paul Loomis**  
Mayor, Town of Oro Valley

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**COMMITTEE UPDATES****Angels Listen**

TREO's **High Tech Advisory Council (HTAC)** and the Southern Arizona Tech Council (SATC) co-sponsored the first "Talk to an Angel" event, held on Wednesday, February 23 rd. With organizational support by the Bio Industry Organization of Southern Arizona, the event allowed 18 local early stage biotech companies the opportunity to present a 5 minute Elevator Pitch to the Desert Angels, a local group of investors.

**Arizona Global Network Launched**

***A statewide venture is born to attract foreign direct investment***

In partnership with the Arizona Department of Commerce, TREO, the Greater Phoenix Economic Council (GPEC) and the Greater Flagstaff Economic Council (GFEC) have formed the Arizona Global Network (AGN). The AGN is designed to address international competitiveness issues and increase the state's existing international economic activity. With funding from the Arizona Department of Commerce, the AGN represents a first-ever economic development partnership between the state's three largest regional organizations.



Led by Stephanie McKinney, President of GFEC, and Joe Snell, the AGN will be a virtual entity responsible for overseeing a multi-pronged International Marketing Alliance (IMA), which will generate business leads for Arizona from non-U.S. markets, such as Asia, Canada, and Europe. Look for more news and activities around this important initiative in the coming months.

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**Defining the Region's Economic Future**

***The Economic Blueprint will define the over-arching goals of the community***

The Tucson region is at a crossroads. Which industries will shape this community's future? A significant TREO effort has been launched to develop an *Economic Blueprint* for the entire region. This blueprint will be a comprehensive strategic plan that provides direction on what will generate wealth for the Tucson community and how resources should be aligned to enhance the region's short and long term competitiveness.

On schedule for a November completion date, the blueprint will: identify the key industries that will shape the community for the next 20 to 30 years, detail an achievable implementation plan with ongoing measurements and accountability to stakeholders, and provide context and direction for future planning efforts.



For more information, contact Nancy Smith at 243-1914 or email [Nancy.Smith@treoaz.org](mailto:Nancy.Smith@treoaz.org).

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For more information about HTAC, contact Nancy Smith at 243-1914 or email [Nancy.Smith@treoaz.org](mailto:Nancy.Smith@treoaz.org)

### **Small Business Advisory Council (SBAC)**

The TREO Small Business Council is comprised of public, private and individual small business owners, including all of the chambers of Pima County, and the small business commissions of the City of Tucson and Pima County. The group will be concentrating its assistance efforts in the following areas:

- Transportation Mitigation
- Development Services
- Access to Capital
- Development of Small Business Resource Directory

The first area to engage small business owners directly will be in the area of development services. A roundtable discussion is scheduled for April 18th. As a small business owner if you have worked with any developmental service agency in the region within the past 2 years and interested in participating, please contact Glenn Fournie at 243-1944 or [Glenn.Fournie@treoaz.org](mailto:Glenn.Fournie@treoaz.org).

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### **SAVE THE DATE Events & Meetings**

#### **Perceptions of the Tucson Region Luncheon**

April 7, 2006  
11:30 am to 1:00 pm  
Westin La Paloma Resort & Spa  
3800 E. Sunrise  
520-243-1900

#### **TREO Board of Directors Meeting**

April 21, 2006  
9:00 am to 11:00 pm  
TREO Office  
120 N. Stone Ave., Suite 200  
520-243-1900

#### **8th Annual Southern Arizona Procurement Fair**

## **Latest Business Attraction Statistics**

### ***Location. Location. Location.***

Business Attraction. Sounds like a simple enough task. After all who in their right mind wouldn't want to locate in beautiful Tucson or the surrounding region and take full advantage of our wonderful lifestyle and cultural offerings? Lifestyle and culture are a great start, but after that things begin to get a bit more complicated.

The process of seeking out that perfect place to locate a new operation and facility usually begins with a general consideration of a site selector team as to what region(s) of the country make the best business sense. Preliminary considerations may include locations close to customers and markets, availability of a qualified workforce, transportation and logistics, or the size of a city or town. Once several locations are determined to be on the "list" and Tucson makes the "list", a Request for Information (RFI) is submitted to TREO and that's when the real work begins. Details, Details, Details. Each individual RFI is loaded with questions regarding: state and community demographics, business environment, taxes, cost of living, housing, area employers, transportation and a multitude of individual areas of interest.

Since July 1, 2005, TREO has averaged 13 RFI's a month. A typical RFI response requires significant TREO research effort as well as information gathering from several of our community partners. When all questions have been addressed, TREO formats the information and submits the completed RFI response (crossing our fingers and rubbing our rabbit foot) back to the site selection team for short list consideration.

Stay tuned for what happens next when Tucson is short listed.

For more information about TREO's Business Attraction activities, contact Lee Smith at 243-1909 or email [Lee.Smith@treoaz.org](mailto:Lee.Smith@treoaz.org)

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## **Industry Retention & Expansion: 6 Month Results**

### ***TREO assists over 300 companies in the Tucson Region***

TREO is committed to a balanced approach to economic development, not only recruiting businesses to the region, but also growing businesses from within. To achieve this goal, the Industry Retention and Expansion Team conducts roundtables and one-on-one business interviews and feedback sessions in order to identify obstacles and barriers to growth within the Tucson region. This focus drives program decisions and opportunities according to customer needs to achieve greater profits in a sustainable, pro-business environment. One reoccurring issue with our local employers is labor quality and availability.

In today's global, technology-based and rapidly changing work environment, training and retraining workers is a critical business need to stay competitive. TREO assists in the writing and management of Arizona Job Training Grants administered by the Arizona Department of Commerce, which helps companies provide funds for customized job training. As a result, companies gain a more versatile and advanced workforce, enabling them to bid and win larger contracts and hire more employees.

April 21, 2006  
8:00 am to 12:00 pm  
Pima Air & Space Museum  
6000 E. Valencia Road  
520-740-8485

**3rd Annual Micro Advancement Center (MAC) Leadership Luncheon**

April 26, 2006  
11:30 am to 1:30 pm  
Tucson Convention Center  
520-622-8886

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TREO manages the grant application process for each client from start to finish. During TREO's first 6 months, the grant team represented 22 companies that were awarded \$2.5 million in job training grants to train 954 employees. Companies assisted by these grants have reported a projected capital investment of over \$73 million within the next two years.

"TREO's success in bringing employment, or assisting existing Tucson employers to increase employment, creates opportunity for all who reside and wish to reside in our beautiful community. How can we not financially support an organization that is committed to doing this for all of us?"

*Don Semvo  
Triangle Ventures, LLC*

TREO also maintains an online database called BusinessLINC that is designed to facilitate increased commerce in Southern Arizona. This non-fee program ensures quick buyer access to Southern Arizona products and services, while TREO staff actively seeks out regional and worldwide buyers to identify, evaluate and match procurement requirements. In the last six months, the BusinessLINC program generated 36 project successes valued at \$1.1 million in new local business.

For example, TREO recently helped a national defense contractor identify potential vendors in Southern Arizona and as a result, a local minority-owned firm bid and won the contract. After many other successful bids for related projects, the new buyer/supplier relationship caused a turnaround and rapid growth in orders, staff and infrastructure for the local Tucson business.

During the first 6 months, TREO helped over 300 companies with critical retention programs. For more information on how our team can assist your business, contact BJ Smith at 243-1916 or email [bj.smith@treoaz.org](mailto:bj.smith@treoaz.org)



120 North Stone Ave., Suite 200 \* Tucson, Arizona 85701  
520.243.1900 | Fax 520.243.1910  
[www.treoaz.org](http://www.treoaz.org)

