



TREO, Southern Arizona's newest regional economic development organization, was created to provide leadership, resources and business development efforts that will accelerate economic prosperity throughout the region.

May 2006 | Issue 2

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TREO BOARD MEMBER NAMED AS "WOMAN OF INFLUENCE"

Frances Merryman



Frances Merryman has been named one of Inside Tucson Business's 2006 Woman of Influence.

President's Message

Now We Know How Tucson is Perceived--What's Next?



With over 400 attendees, our first Community Luncheon (held on April 7th at Westin La Paloma) was an incredible success. The impressive crowd is a testimony that you care about the economic development of your community. For that, I thank you.

Every smart business conducts research to understand its customers and their issues better. Economic Development is no different. In business recruitment, customers are site selectors and the product is greater Tucson. Thus, TREO put a lot of time and effort earlier this year to find out just what site selectors, and our local business community, really think of doing business here.

A copy of the executive summary and the perception study PowerPoint presentation is available on our Web site at www.treoaz.org. Click 'Data Library' on the left-hand side of the page, and find 'Perceptions of the Tucson Region Study' toward the bottom of the page.

You might be wondering, "So now that you have the data, what are you going to do with it?" Good question.

It is imperative that we use the research to take action, and not lose the momentum. TREO has already started the effort 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.

What can you do to contribute toward the common goal? By living and working in Tucson, you have a vested interest in the future of the community. So invest in economic development and regional product development today. Both your leadership and financial support are needed to improve the community's competitiveness exponentially.

Your feedback and leadership is encouraged!

Joe Snell
 President & CEO
 520-243-1970
Joe.Snell@treoaz.org

Merryman wants to see everybody in the Tucson area community--public sector, private sector, and education--work in partnership toward a common goal in economic development.

Merryman works at Northern Trust Bank as the vice president of wealth management services. In addition to serving as a TREGO Board member, Merryman is also a National Advisory Board member for Critical Path Institute.

View the entire article online at: http://www.underbridge.net/woi/woi_merryman.html

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FAST FACTS

Recent Rankings Put Tucson on the National Radar

Tucson ranked number 10 in hottest office markets. Tucson was the smallest city to make the top 10 and the only metro area not on the Atlantic or Pacific coast. *Marcus & Millichap Real Estate Investment & Brokerage Co., April 2006, <http://www.tucsoncitizen.com/daily/business/9750.php>*

Arizona ranked 4th nationwide in the Semiconductor Industry in 2004.

Arizona remains a critical location for the semiconductor industry with 22,500 jobs in this industry in 2004.

Cyberstates 2006, April 2006, http://www.aeanet.org/PressRoom/prjcs2006_arizona.asp

Arizona was the fifth youngest state in 2005. Over 26% of Arizona's population is under 18, a potentially huge workforce pipeline.

Census Bureau, 2005, <http://ebr.eller.arizona.edu/azeconomy/azeconomy.aspx?issue=azeconomy&article=study>

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Building Business in Mexico

TREGO Identifies Supplier-Buyer Networks

TREGO recognizes the importance Mexico plays in the vast business opportunities for the Tucson economy. Joe Snell (President and CEO), Lee Smith (VP of Business Development and Attraction) and Raul Gamez (Business Development Specialist) spent time in Mexico, March 29 through the 31st. They visited the maquiladoras, toured the Ford plant and met with tier one and tier two suppliers. TREGO met with Sonora's governor, the secretary of commerce of the State of Sonora, and The Offshore Group's management team who oversees the industrial parks, in effort to foster relationships and determine business possibilities for the future.



TREGO also attended the 2006 Industrial Expo in Hermosillo. Four local companies were among the hundreds of exhibitors. Over 6,000 people attended the trade show. In addition to providing support for local participation, TREGO also promoted BusinessLINC, a comprehensive buyer and seller database. The event was a perfect venue to establish person to person relationships for local suppliers and provide contacts in manufacturing, raw materials and other products and services to the growing "maquiladora" industries.

For more information on how you can get your business involved with doing business with Mexico, or how to utilize [BusinessLINC](#), call TREGO at 243-1900.

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2005 Saw 33% Drop in Tucson's Crime Rate

Change in Reporting Practices Improves Region's Competitiveness

The property crime rate reported by the Tucson Police Department dropped significantly in 2005 as a result of changes in reporting procedures. These changes corrected some of the problems that caused the Tucson property crime rate to be incorrectly and significantly overstated as compared to the statistics reported by other cities. Prior to these adjustments, the Tucson property crime rate ranked as one of the worst in the nation.

The overall property crime rate dropped 33 percent between 2004 and 2005. This reduction was attributable largely to a 19 percent reduction in burglaries and a 43 percent reduction in larcenies. The improved statistical practices used by TPD to report property crimes will allow Tucson to be compared 'apples to apples' with other cities and regions that compete for business attraction clients.



TREO BOARD OF DIRECTORS:

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INVESTOR PROFILE: *Competitive Engineering, Inc.*

Competitive Solutions Drive Success
Competitive Engineering, Inc. (CEI), established in 1987, is leading the business of precision machining here in the Tucson region. CEI is poised for design, development and manufacturing in today's growth markets. Serving Tucson's aerospace and other hi tech companies, the Prototype, Development and Engineering departments of CEI provide state of the art mechanical solutions that improve and enhance the products you'll be reading about tomorrow.

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Tucson Makes the Cut

A look at What Happens When Tucson is "Short Listed"

'Short listed' typically means that our region is one of three or less locations still in contention for relocation consideration. TREO staff is usually notified at the time the site selector or client wishes to schedule a working visit. These visits may be for only a few hours or may last for several days depending on the amount of interaction needed with our community.

The visit agenda may include: TREO overview of our region, discussions with City of Tucson and/or Pima County Development Services Departments, real estate tours of selected sites, meetings with local businesses, meetings with local utility operators, and a tour of the region including housing communities and schools. Informal interaction with appropriate local public and private citizens is also usually on the agenda.

Attracting businesses to our region is truly a community effort. With this in mind, TREO is working hard to proactively establish and strengthen partnerships, both public and private, ready to respond at "the speed and the need of the client".

Winning the attraction game is all about having the right infrastructure, workforce and community presence that appeals to the specific needs of the client. A win for the company and a win for the community is the best win of all. TREO works hard to insure this conclusion, attracting businesses that contribute positively to our regional economy and quality of life without causing harm to local existing businesses.

TREO is currently working twenty-five business attraction projects. The Tucson region is currently short listed on eight of these projects. The future is looking positive. TREO with the support of our regional community partners is truly in the "game".

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

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Industry Retention & Expansion: New Contracts

TREO's Industry Retention & Expansion Team gives a few examples of expanding companies

What does a "retention and expansion" team really do? Much like identifying and meeting the needs of a company considering expanding to Tucson, this team works closely with existing Tucson businesses to provide solutions to workforce, sales, and bottom line profit issues. One of the big focuses of this team is to administer Arizona Job Training Grants, and a few real business examples can bring this to life.

An aircraft maintenance company had expanded its operations to the Tucson area at the same time that a jet completion center had announced a closure to its local operations. Although this closure resulted in a loss of approximately 800 jobs, many of the employees were transitioned to the newly located aircraft company. TREO's Industry Retention & Expansion team has continually assisted this employer with various programs to boost the company's profit margins and meet the needs of employees now being trained. TREO's IR&E team has assisted the company with applying and successfully being awarded AZ Job training grants to re-train these employees to meet



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SAVE THE DATE
Events & Meetings

TREO Board of Directors Meeting

May 19, 2006
9:00 am to 11:00 pm
TREO Office
120 N. Stone Ave., Suite 200
520-243-1900

Austin Leadership Exchange Trip

May 21-23, 2006
Four Seasons Hotel
Austin, Texas
520-243-1955

TREO Annual Dinner

September 7, 2006
6:00 pm to 9:00 pm
Westin La Paloma Resort & Spa
3800 E. Sunrise
520-243-1900

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the needs and requirements of the industry. This employer continues to prosper and grow as a result of the programs available, and efforts of TREO.

Initially established as a pilot program partially sponsored by the University of Arizona and using technology pioneered by a UA professor, a bioscience laboratory is reporting a half million dollar capital investment expansion and a projected 33% growth in workforce. TREO's IR&E team is assisting this company in its expansion efforts. The recent award of an AZ Job Training Grant will prepare their management team for continued expansion.

"I applaud the work of TREO in making it possible for small businesses like Arizona Capacitors to make use of job training funds without a large internal staff to manage administrative requirements. I am telling all of my peers about this community resource and encouraging them to consider applying for a training grant."

*Anne Waisman, President
Arizona Capacitors*

For more information on how our team can assist your business, contact BJ Smith at 243-1916 or email bj.smith@treoaz.org

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Feedback

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



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