

Beyond Clusters – Underpinning Economic Growth with Alternative Strategies

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Observations as Practitioners

- Everyone's chasing after the same thing
- *Implication #1 - possible misuse of limited ED funding*
- *Implication #2 – area's unique & latent assets remain uncaptured*
- *Potential exists to create growth opportunities tied to your 'indigenous' assets building upon*
 - Resources – natural, cultural, educational, recreational
 - Access characteristics



What's in Fashion for ED Strategy

– Utah

- Software development & information technology
- Aerospace
- Defense and homeland security
- Financial services
- Energy and natural resources
- Life Sciences

- Oregon

- High-tech/Software
- Forest Products/Wood/Paper
- Food Processing & Agric.
- Apparel and Sporting Goods
- Transportation Equipment
- Creative Services
- Recreation-Related
- Metals/Machinery
- Nursery Products
- Professional Services
- Biomedical

What's in Fashion for ED Strategy

– Oklahoma

- Energy
- Weather
- Logistics
- **Biotechnology**
- Manufacturing
- Automotive
- Business Services
- Value-Added Agriculture
- Aerospace

– Arkansas

- Agriculture, food & envir. sciences
- **Biotechnology**, bioengineering & life sciences
- Information Technology
- Transportation logistics
- Advanced Materials & MFG Systems

- Iowa

- **Biotech**
- Business Services
- Chemical Production
- Construction Materials
- Distribution and Transportation
- Financial Services
- Heavy Machinery Manufacturing
- Motor Driven Products
- Pharmaceuticals
- Plastics
- Printing and Publishing
- Processed Food
- Transportation

Regional Growth Processes

Given Local Conditions – Resources, Constraints and Opportunities

Decision Criteria on Most Appropriate Growth Path(s) to Pursue

Trade Center Strategy

Agglomeration Strategy

Learning-based Strategy

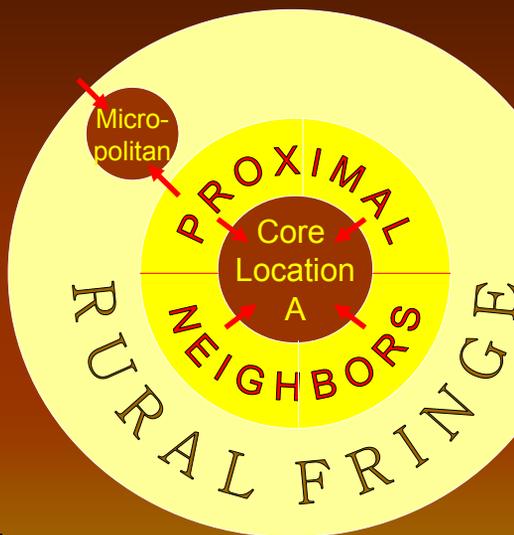
Asset-based Strategy

Supply Chain Strategy

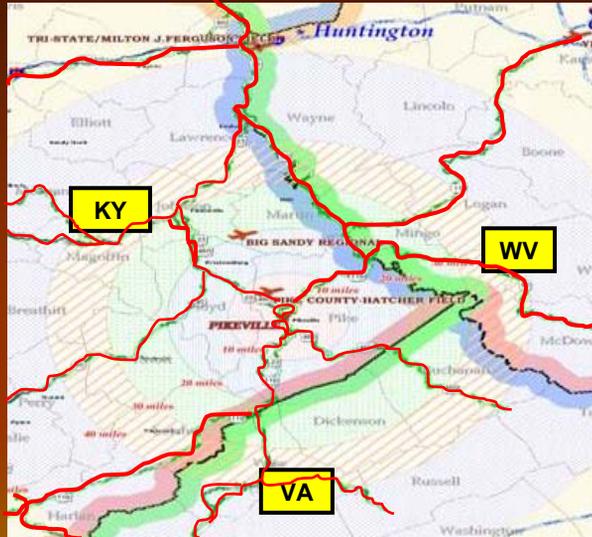
Performance Evaluation – gauging progress on a growth path

Goal – Improved Economic Development

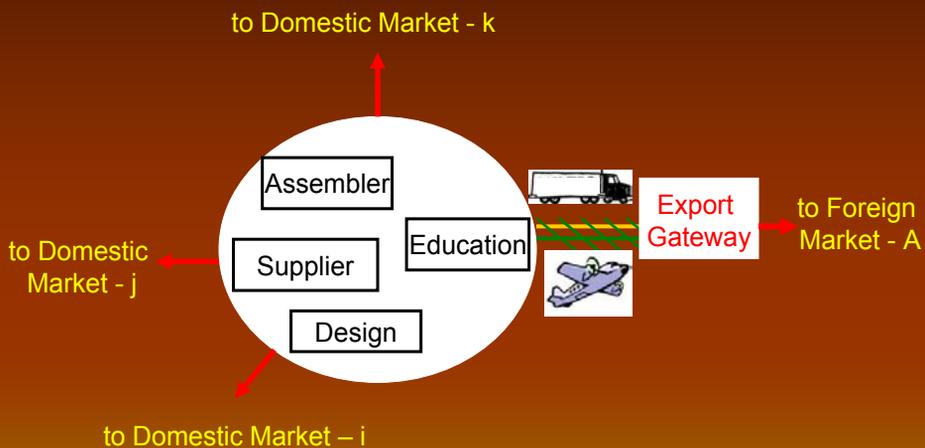
Trade Center



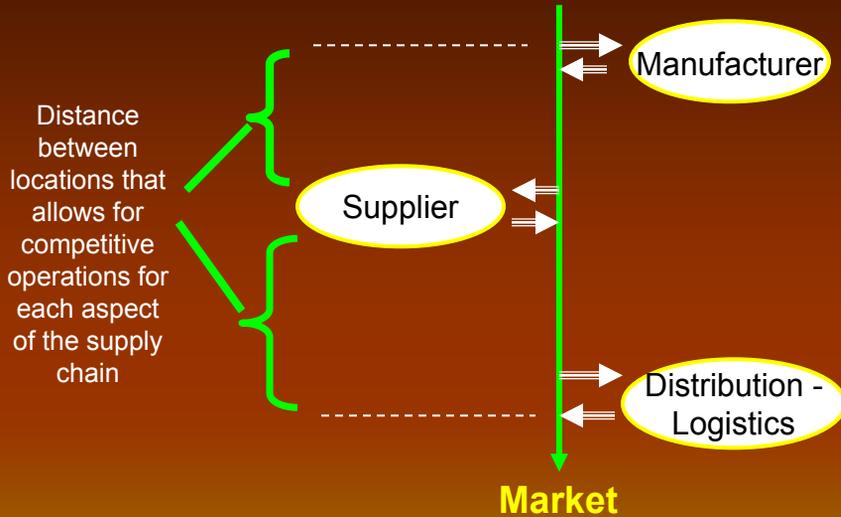
Pikeville, KY – Regional Trade Center



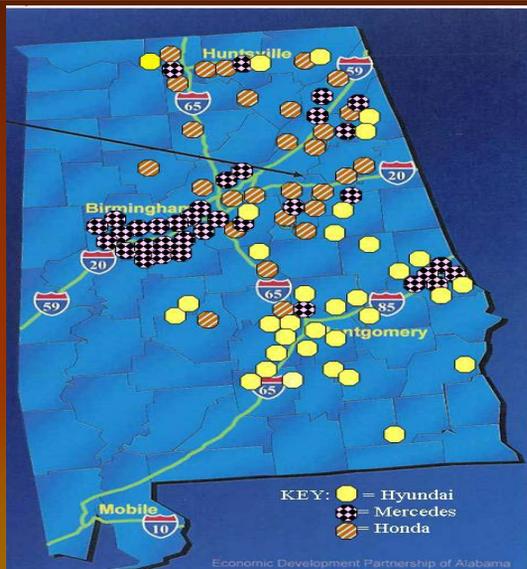
Agglomerated Activity



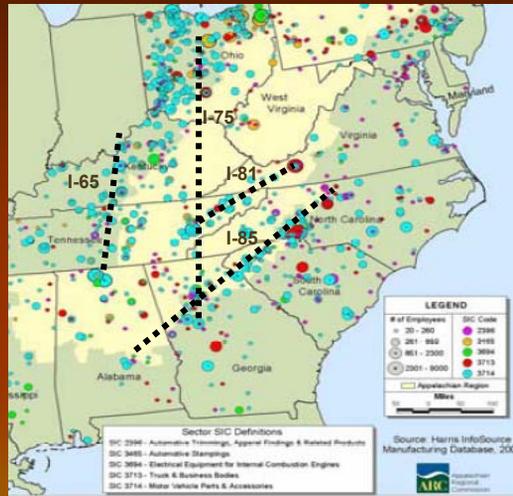
Dispersed Activity



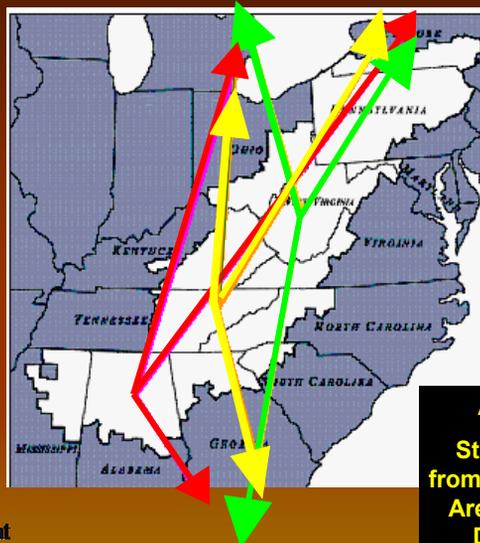
Supplier Dispersion for Alabama's Auto Assembly / MFG



Broader Automotive Supply Chain Corridors

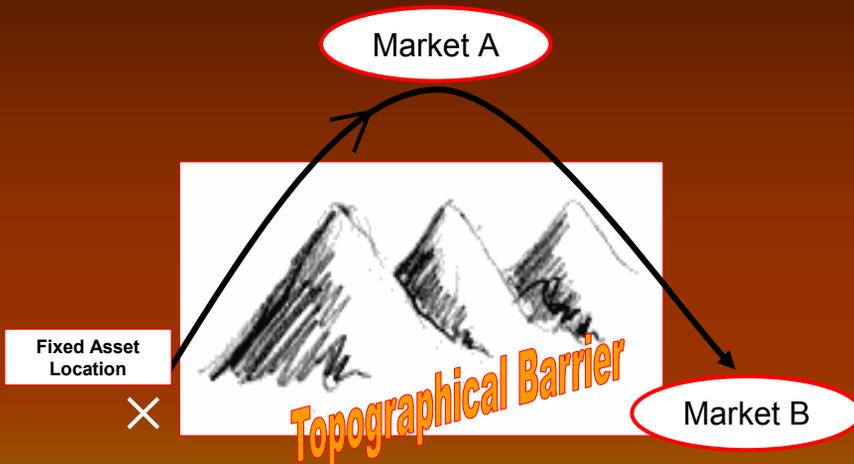


Auto Parts Exported from Appalachia



**Auto Parts
State of Origin
from ARC Regional
Areas to Port of
Destination**

Asset-based Activity (natural resource, tourism)



Addressing Tourism Access Needs



Conclusion

- Abandon *naïve* methods that assume a cluster approach is right for your area – one size does not fit all!
- Build upon your unique assets, identify & remedy key limitations
- Draw from relevant lessons learned elsewhere
- Understanding your area's spatial-economic relationships (or opportunities) will help determine how to remedy market access gaps

For Further Information

EDRG Web Download Library
www.edrgroup.com/edr1/library