Memphis Area CEDS

Comprehensive Economic Development Strategy

Presentation: June 21, 2017
Randall Gross / Development Economics for Memphis Area Association of Governments (MAAG)
Purpose & Components

- **Strategic Plan for regional economic development, coordination, and cooperation.**
  - Regional Economic Base Analysis
  - Target Industrial Review & Assessment
  - Labor Force Education & Skills Review
  - Existing Economic Development Resources
  - Strategic Direction: Vision, Goals, Objectives
  - Strategic Recommendations
  - Implementation Action Plan & Evaluation Framework
Key Inputs

• Stakeholder Engagement Process
  ▫ Steering Committee
  ▫ Focus Groups
  ▫ Interviews
  ▫ Survey

• Document Review
  ▫ Existing LED & other pertinent plans, strategies, policies, communications

• Data Analysis
  ▫ Competitive advantages, employment & labor force, business establishment, commutation, location quotients, inventories, real estate market review, etc.
Economic Base Assessment
Location and Assets

• **Transportation Access**
  - **Water:**
    - 5th biggest inland port
  - **Rail:**
    - One of only 3 cities with 3 Class I railroads; major intermodal facilities
  - **Air:**
    - Busiest cargo hub in US, 2nd in world
  - **Road:**
    - 5 branches of interstate system; trucking hub

• **Business Nodes**
  - 40+ large office and industrial parks
  - Downtown Memphis
  - Midtown/Medical District
  - Poplar Corridor
  - 385 Corridor
  - Wolfchase
  - Winchester Road Corridor
  - Downtown Collierville
  - Arlington Depot Square
  - Other nodes and corridors
    - Some, like Ripley, suffer high vacancy, economic distress
Institutions & Assets

- Major health care & medical research facilities
  - St. Jude Children’s Research Hospital
- 20 colleges and universities
  - 37,400 enrollment
- Cultural heritage & institutions
  - Beale Street / Blues Music
  - Graceland / Elvis
  - National Civil Rights Museum
  - Stax Museum of Soul Music
  - Overton Square Theatre District
  - Brooks Museum of Art
  - Memphis BBQ
  - Chucalissa Village, etc.

- Natural features & assets
  - Mississippi River
  - TO Fuller State Park
  - Mud Island
  - Shelby Farms
  - Overton Park/Memphis Zoo/Botanical Gardens
  - Chickasaw NWR
  - Many parks, reserves, etc.
## Major Businesses

<table>
<thead>
<tr>
<th></th>
<th>Business Name</th>
<th>Type</th>
<th>Location</th>
<th>Industry</th>
<th>Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>FedEx Corporation</td>
<td>HQ</td>
<td>Memphis</td>
<td>Freight</td>
<td>32,000</td>
</tr>
<tr>
<td>2.</td>
<td>Methodist Healthcare</td>
<td>NP</td>
<td>Memphis</td>
<td>Hospitals</td>
<td>10,890</td>
</tr>
<tr>
<td>3.</td>
<td>Baptist Memorial</td>
<td>NP</td>
<td>Memphis</td>
<td>Hospital</td>
<td>8,000</td>
</tr>
<tr>
<td>4.</td>
<td>Wal-Mart Stores</td>
<td>P</td>
<td>Regional</td>
<td>GM Retailer</td>
<td>6,500</td>
</tr>
<tr>
<td>5.</td>
<td>St. Jude Rsch. Hospital</td>
<td>NP</td>
<td>Memphis</td>
<td>Hospital</td>
<td>3,700</td>
</tr>
<tr>
<td>6.</td>
<td>Kroger Delta Marketing</td>
<td>DIV</td>
<td>Memphis</td>
<td>Groceries</td>
<td>3,500</td>
</tr>
<tr>
<td>7.</td>
<td>First Horizon Natl. Corp.</td>
<td>HQ</td>
<td>Memphis</td>
<td>Bank HC</td>
<td>3,290</td>
</tr>
<tr>
<td>8.</td>
<td>University of Memphis</td>
<td>ED</td>
<td>Memphis</td>
<td>University</td>
<td>2,800</td>
</tr>
<tr>
<td>9.</td>
<td>Memphis LG&amp;P</td>
<td>UTIL</td>
<td>Memphis</td>
<td>Utility</td>
<td>2,630</td>
</tr>
<tr>
<td>10.</td>
<td>Century Management</td>
<td>P</td>
<td>Memphis</td>
<td>Restaurants</td>
<td>2,500</td>
</tr>
<tr>
<td>11.</td>
<td>United Parcel Service</td>
<td>P</td>
<td>Regional</td>
<td>Freight Dist.</td>
<td>2,500</td>
</tr>
<tr>
<td>12.</td>
<td>AutoZone Incorporated</td>
<td>HQ</td>
<td>Memphis</td>
<td>AS Retailer</td>
<td>2,300</td>
</tr>
<tr>
<td>13.</td>
<td>Swift Transportation</td>
<td>P</td>
<td>Memphis</td>
<td>Trucking</td>
<td>2,100</td>
</tr>
<tr>
<td>15.</td>
<td>Regional Medical Center</td>
<td>G</td>
<td>Memphis</td>
<td>Hospital</td>
<td>2,000</td>
</tr>
<tr>
<td>16.</td>
<td>St. Francis Hospital</td>
<td>NP</td>
<td>Memphis</td>
<td>Hospital</td>
<td>2,000</td>
</tr>
<tr>
<td>17.</td>
<td>UT Medical Group</td>
<td>P</td>
<td>Memphis</td>
<td>Physicians</td>
<td>2,000</td>
</tr>
<tr>
<td>18.</td>
<td>VA Medical Center</td>
<td>G</td>
<td>Memphis</td>
<td>Hospital</td>
<td>2,000</td>
</tr>
<tr>
<td>19.</td>
<td>Valenti Mid-South Mgt.</td>
<td>P</td>
<td>Memphis</td>
<td>Restaurants</td>
<td>1,800</td>
</tr>
<tr>
<td>20.</td>
<td>Williams Sonoma</td>
<td>DIV</td>
<td>Olive Br.</td>
<td>Distribution</td>
<td>1,800</td>
</tr>
</tbody>
</table>
Labor Force & Employment

MAAG Region Unemployment Rates, 2000-2016

Sources: U.S. BLS, MDOT, TNIDOLWD, ARDOL, and Randall Gross/Development Economics
### Table 4.
**AT-PLACE EMPLOYMENT TRENDS BY MAJOR INDUSTRY SECTOR, MAAG REGION, 2005-2014**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>382</td>
<td>332</td>
<td>124</td>
<td>(258)</td>
<td>-67.5%</td>
</tr>
<tr>
<td>Mining</td>
<td>83</td>
<td>93</td>
<td>65</td>
<td>3</td>
<td>3.0%</td>
</tr>
<tr>
<td>Utilities</td>
<td>384</td>
<td>322</td>
<td>318</td>
<td>(66)</td>
<td>-17.2%</td>
</tr>
<tr>
<td>Construction</td>
<td>18,505</td>
<td>19,160</td>
<td>24,011</td>
<td>5,507</td>
<td>29.8%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>36,490</td>
<td>36,123</td>
<td>43,904</td>
<td>7,414</td>
<td>20.3%</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>34,001</td>
<td>36,208</td>
<td>35,946</td>
<td>1,946</td>
<td>5.7%</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>62,228</td>
<td>57,356</td>
<td>64,742</td>
<td>2,514</td>
<td>4.0%</td>
</tr>
<tr>
<td>Transport</td>
<td>56,295</td>
<td>53,768</td>
<td>48,995</td>
<td>(7,300)</td>
<td>-13.0%</td>
</tr>
<tr>
<td>Information</td>
<td>6,501</td>
<td>6,778</td>
<td>8,623</td>
<td>2,122</td>
<td>32.6%</td>
</tr>
<tr>
<td>Finance &amp; Insurance</td>
<td>17,757</td>
<td>20,531</td>
<td>28,329</td>
<td>10,573</td>
<td>59.5%</td>
</tr>
<tr>
<td>Real Estate</td>
<td>7,792</td>
<td>7,016</td>
<td>9,125</td>
<td>1,333</td>
<td>17.1%</td>
</tr>
<tr>
<td>Prof/Tech Services</td>
<td>18,159</td>
<td>18,673</td>
<td>23,061</td>
<td>4,902</td>
<td>27.0%</td>
</tr>
<tr>
<td>Management Svcs</td>
<td>25,792</td>
<td>29,300</td>
<td>27,416</td>
<td>1,624</td>
<td>6.3%</td>
</tr>
<tr>
<td>Administrative Svcs</td>
<td>52,966</td>
<td>46,815</td>
<td>43,986</td>
<td>(8,981)</td>
<td>-17.0%</td>
</tr>
<tr>
<td>Education</td>
<td>12,064</td>
<td>10,155</td>
<td>8,413</td>
<td>(3,651)</td>
<td>-30.3%</td>
</tr>
<tr>
<td>Health</td>
<td>78,834</td>
<td>74,268</td>
<td>65,063</td>
<td>(13,771)</td>
<td>-17.5%</td>
</tr>
<tr>
<td>Arts, Entertain, Rec</td>
<td>6,794</td>
<td>6,367</td>
<td>7,150</td>
<td>356</td>
<td>5.2%</td>
</tr>
<tr>
<td>Accommodation/FS</td>
<td>49,345</td>
<td>45,602</td>
<td>45,451</td>
<td>(3,894)</td>
<td>-7.9%</td>
</tr>
<tr>
<td>Other Services</td>
<td>23,278</td>
<td>24,258</td>
<td>27,566</td>
<td>4,288</td>
<td>18.4%</td>
</tr>
<tr>
<td>NEC</td>
<td>63</td>
<td>74</td>
<td>142</td>
<td>79</td>
<td>124.6%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>507,711</td>
<td>492,213</td>
<td>512,438</td>
<td>4,727</td>
<td>0.9%</td>
</tr>
</tbody>
</table>

**Note:**
Some data estimated based on Census ranges.

**Sources:**

### Table 5.
**GROWING AND DECLINING SECTORS BY COUNTY, MAAG REGION, 2005-2014**

<table>
<thead>
<tr>
<th>County</th>
<th>Growth Sector</th>
<th>Rate</th>
<th>Declining Sector</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crittenden</td>
<td>Transport</td>
<td>122.0%</td>
<td>Admin Svcs</td>
<td>-58.4%</td>
</tr>
<tr>
<td>DeSoto</td>
<td>Mgt Svcs</td>
<td>460.3%</td>
<td>Admin Svcs</td>
<td>-52.4%</td>
</tr>
<tr>
<td>Fayette</td>
<td>Transport</td>
<td>346.7%</td>
<td>Accom/FS</td>
<td>-73.8%</td>
</tr>
<tr>
<td>Lauderdale</td>
<td>Mfg</td>
<td>73.8%</td>
<td>Wholesale</td>
<td>-45.1%</td>
</tr>
<tr>
<td>Shelby</td>
<td>Finance</td>
<td>66.2%</td>
<td>Education</td>
<td>-30.5%</td>
</tr>
<tr>
<td>Tipton</td>
<td>Mfg</td>
<td>32.3%</td>
<td>Accom/FS</td>
<td>-35.6%</td>
</tr>
<tr>
<td><strong>MAAG</strong></td>
<td>Finance</td>
<td>59.5%</td>
<td>Education</td>
<td>-30.3%</td>
</tr>
</tbody>
</table>

**Sources:**
Accommodation: DeSoto

Health Care: 6 counties

Prof/Tech, Mgt, Admin & Financial Services: Shelby

Transportation: Crittenden

Manufacturing: Lauderdale, Tipton, Fayette
## Demographic Trends

<table>
<thead>
<tr>
<th>Area/Factor</th>
<th>2010</th>
<th>2015</th>
<th>Change</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crittenden County</td>
<td>50,673</td>
<td>49,765</td>
<td>(908)</td>
<td>-1.8%</td>
</tr>
<tr>
<td>DeSoto County</td>
<td>154,715</td>
<td>168,586</td>
<td>13,871</td>
<td>9.0%</td>
</tr>
<tr>
<td>Fayette County</td>
<td>37,458</td>
<td>38,814</td>
<td>1,356</td>
<td>3.6%</td>
</tr>
<tr>
<td>Lauderdale County</td>
<td>27,745</td>
<td>27,427</td>
<td>(318)</td>
<td>-1.1%</td>
</tr>
<tr>
<td>Shelby County</td>
<td>922,696</td>
<td>937,750</td>
<td>15,054</td>
<td>1.6%</td>
</tr>
<tr>
<td>Tipton County</td>
<td>59,689</td>
<td>61,674</td>
<td>1,985</td>
<td>3.3%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>1,252,976</td>
<td>1,284,016</td>
<td>31,040</td>
<td>2.5%</td>
</tr>
</tbody>
</table>

| **CEDS Region**     | 1,047,588| 1,065,665| 18,077 | 1.7%    |

**Sources:**

### Table 6. AVERAGE WEEKLY WAGE, MAAG REGION, 1/2016

<table>
<thead>
<tr>
<th>County</th>
<th>Average Weekly Wage</th>
<th>Rank</th>
<th>Annual Change</th>
<th>Total Wage Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crittenden 1/</td>
<td>$ 738.00</td>
<td>3</td>
<td>11.1%</td>
<td>$ 12,805,038</td>
</tr>
<tr>
<td>De Soto 2/</td>
<td>$ 637.00</td>
<td>6</td>
<td>0.5%</td>
<td>$ 36,018,528</td>
</tr>
<tr>
<td>Fayette</td>
<td>$ 781.00</td>
<td>2</td>
<td>5.1%</td>
<td>$ 6,082,428</td>
</tr>
<tr>
<td>Lauderdale</td>
<td>$ 642.00</td>
<td>5</td>
<td>3.2%</td>
<td>$ 3,838,518</td>
</tr>
<tr>
<td>Shelby</td>
<td>$ 991.00</td>
<td>1</td>
<td>-1.8%</td>
<td>$ 482,765,650</td>
</tr>
<tr>
<td>Tipton</td>
<td>$ 659.00</td>
<td>4</td>
<td>5.8%</td>
<td>$ 7,229,230</td>
</tr>
</tbody>
</table>

| Weighted Av/Total | $ 936.76 | -1.1% | $ 548,739,392 |

| vs US Average | $ 843.00 | 2.8% |

**Notes:**
1/ 4th Quarter 2015; 2/ 2nd Quarter 2016.

**Sources:**
### Table 7.
**MEDIAN HOUSEHOLD INCOME TRENDS, MAAG REGION, 2010-2015**

<table>
<thead>
<tr>
<th>Area/Factor</th>
<th>2010</th>
<th>2015</th>
<th>2010-2015 Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Percent</td>
<td></td>
</tr>
<tr>
<td>Crittenden County</td>
<td>$ 36,373</td>
<td>$ 38,004</td>
<td>$ 1,631</td>
</tr>
<tr>
<td>DeSoto County</td>
<td>$ 64,100</td>
<td>$ 58,278</td>
<td>$ (5,822)</td>
</tr>
<tr>
<td>Fayette County</td>
<td>$ 61,199</td>
<td>$ 54,890</td>
<td>$ (6,309)</td>
</tr>
<tr>
<td>Lauderdale County</td>
<td>$ 35,486</td>
<td>$ 30,281</td>
<td>$ (5,205)</td>
</tr>
<tr>
<td>Shelby County</td>
<td>$ 48,228</td>
<td>$ 46,224</td>
<td>$ (2,004)</td>
</tr>
<tr>
<td>Tipton County</td>
<td>$ 53,269</td>
<td>$ 53,669</td>
<td>$ 400</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$ 50,028</td>
<td>$ 47,719</td>
<td>$ (2,308)</td>
</tr>
</tbody>
</table>

**CEDS Region**

- $ 48,651 | $ 46,562 | $ (2,089) | -4.3%

**Note:** Incomes expressed in constant 2015 dollars.

**Sources:**
Poverty & Income Inequality

- Memphis ranked
  - 9th in poverty level (among 102 largest markets)
  - 5th in concentration of poverty (among all metros), behind McAllen, Fresno, Bakersfield – migrant worker communities)
- Being comparable to Jackson, Toledo, or Modesto does not really help the Memphis region’s brand. The region’s status presents challenges for image enhancement, business recruitment, entrepreneurship, labor force development, and other factors impacting on overall economic development.
Workforce Skills & Training Assessment
Education & Occupations

**Education Differential Metro Comparison, 2015**
Sources: U.S. Bureau of the Census and Randall Gross / Development Economics

<table>
<thead>
<tr>
<th>City</th>
<th>Education Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kansas City</td>
<td>32.8%</td>
</tr>
<tr>
<td>St. Louis</td>
<td>31.1%</td>
</tr>
<tr>
<td>Cincinnati</td>
<td>29.0%</td>
</tr>
<tr>
<td>Nashville</td>
<td>27.2%</td>
</tr>
<tr>
<td>Louisville</td>
<td>23.6%</td>
</tr>
<tr>
<td>Birmingham</td>
<td>22.9%</td>
</tr>
<tr>
<td>Memphis</td>
<td>19.7%</td>
</tr>
<tr>
<td>New Orleans</td>
<td>18.7%</td>
</tr>
<tr>
<td>Houston</td>
<td>18.7%</td>
</tr>
</tbody>
</table>

**Occupations, MAAG Region, 2015**
Sources: U.S. Bureau of the Census and Randall Gross / Development Economics

- Production: 6%
- Office Admin: 14%
- HLTH/TECH: 6%
- SALES: 11%
- PERSON CARE/SVC: 3%
- ED/LEGAL/CMTY/ART: 10%
- HLTH/SUPPORT: 2%
- PROT SVC: 3%
- PREP/SVC: 5%
- MGT/BUS/FIN: 14%
- TRANSPORT/MTRV: 10%
- RSR/CONSTR: 8%
- COMP/ENG/SCI: 4%
Labor Force Challenges & Opportunities

- **Skills among those not working (GMACW)**
  - Office and administrative support (9.7%),
  - Computer/IS-support (9.7%),
  - Warehouse & distribution (6.8%),
  - Transportation & material moving (5.8%),
  - Construction (4.9%),
  - Healthcare/tech (4.9%),
  - Special trades (4.9%),
  - Personal services (3.9%),
  - Installation & repair (3.9%),
  - Information/media services (3.9%).

- **Key challenges and deficiencies**
  - Education-to-jobs mis-match
  - Disability / health issues
    - 20% of those not seeking work due to disability
  - Lack of transport to work
  - Training financial gap
  - Recruitment challenges

- **Skills in Demand**
  - Customer Service Reps
  - Information Tech
  - Machinists
  - Packers & Packagers
  - Dental lab techs
  - Medical appliance techs
  - Electromechanical equip. assem.
  - Insurance underwriters
  - Electrical equipment assemblers...
Skills Gap

"Basic" Skill Gaps
Sources: Younger Associates - GMACW Employer Survey and Randall Gross / Development Economics

"Tech" Skill Gaps - Memphis Region
Sources: Younger Associates - GMACW Survey, and Randall Gross / Development Economics

Skills Gaps - CEDS Region
Source: CEDS Employer Survey, Randall Gross / Development Economics
Development Policy & Program Assessment
ED-Related Organizations

- Memphis EDGE
- Memphis-Shelby County IDB
- Fayette County & 8 other IDBs
- Downtown Memphis Comm.
- MAAG
- Greater Memphis Chamber
- Mid-South Minority BC
- West TN Industrial Assn
- Lauderdale Chamber/ECD
- HTL Advantage (Haywood, Tipton, Lauderdale)
- Memphis CVB & other CVBs
- Covington-Tipton Chamber
- Delta Regional Authority
- Other chambers of commerce
- Aero City Alliance (Whitehaven EDC)

- Greater Memphis Alliance for a Competitive Workforce
- Memphis Tomorrow
- New Memphis Institute and IMPACT Memphis
- Emerge Memphis
- EPI Center, StartCo, and other accelerators
- Greater Memphis Medical Devices Council, AgriCenter International, National Cotton Council, Memphis IT Council, and other industry groups
- Memphis Light, Gas & Water
- Leadership Memphis
- West Memphis Chamber
- Fayette County Chamber
- North MS Alliance
- CEOs for Cities
- Hyde Family Foundations
- Advance Memphis
- Other local ED departments
- Memphis Research Consortium
- Diversity Memphis, etc.
Target Industry Analysis
Existing Targets

**Summary**
- Transport & Logistics Cluster
- Manufacturing
  - Agribusiness
  - Electronics
  - Medical Equipment
  - Automotive Parts & Equip
  - “Green” Industry
  - Advanced Manufacturing
- Medical
  - Health Care,
  - Bioscience/Life Science
  - Med-tech
- Management Services
- Tourism

**Memphis-Shelby**
- Logistics, manufacturing, health/bioscience, corp offices, export businesses

**Bartlett/NE Shelby**
- Green, agribusiness, life sciences, retail/hospitality

**Tipton/Lauderdale**
- Logistics, auto parts manufacturing, solar energy products, food processing

**West Memphis**
- Logistics, biosciences, manufacturing, green

**DeSoto County**
- Warehouse & distribution, tourism
Location Quotients (Industry Concentrations)

**Manufacturing**
- Household appliances and, in particular, household cooking appliances (335221), with a total LQ of 15.32.
- Grain and oilseed milling (NAICS 3112), which includes rice milling (311212) and breakfast cereals (31123), but with especially high concentrations in starch and vegetable fats & oils (NAICS 31122, LQ 14.07) – wet corn milling, soybean, fats, & oils refining, blending
- Ice cream and frozen desserts (NAICS 31152, LQ 12.92), e.g., Blue Bell
- Pesticides & other agricultural chemicals (NAICS 32532, LQ 12.17)
- Plumbing fixtures & trim (NAICS 332913, LQ 10.29)
- Surgical appliances & supplies (NAICS 339113, LQ 10.04). Relating to this concentration is a strong focus in manufacture of ophthalmic goods.

**Transport**
- **Mixed-mode transportation systems** (NAICS 485111), with an overall LQ of 132.50,
- **Couriers & express delivery services** (NAICS 4921), with an LQ of 28.92

**Other Sectors**
- Farm product material wholesale trade (NAICS 42459, LQ 10.07)
- Farm product warehouse & storage (NAICS 49313, LQ 11.49)
- Other warehouse & storage (NAICS 49319, LQ 10.45)
- Repossession services (NAICS 561491, LQ 10.26)
Existing Clusters & Refined Targets

**Existing Clusters**
- Transport & Logistics
- Packaging
  - Wood containers, pallets
  - Corrugated boxes
  - Adhesives
  - Laminate plastics & sheet
  - Plastic bottles, etc
- Bulk Goods
  - Farm commodities & products
  - Chemicals, other
- Air Freight Products
  - Perishables
  - High-value freight (e.g., medical equipment)
- Health Care/R&D/Medical

**Competitive Advantages**
- Location & transport access
- Affordability
- Available labor force
- Culture & identity

**Refined Targets**
- Administrative Support Services
  - Back-office business services
- Manufacturing
  - Air-freight products (perishables, high-value goods)
  - Food & Agricultural Products
  - Electrical Equipment
  - Packaging
- Med/Bioscience R&D
  - Pharma/Botanicals
  - R&D anchors, emerging tech/app
  - Dental laboratories
- Rural Tourism Corridors
Strategic Recommendations
Strategic Direction: Key Themes

- **Labor force issues** are holding back economic growth
- Memphis region suffers from **negative image**
- **Research base** not translating into business development
- Region lacks **mass transit**
- **Rural areas** are not sharing in economic prosperity
- Logistics cluster subject to **automation**
- Regional economic development **coordination**
Goals

• **Regional Economic Development.** Target resources to address shared concerns (e.g., regional transportation, marketing image, labor markets), define specialized niches that build on local competitive strengths, and ensure economic prosperity reaches all geographic sectors.

• **CEDS.** The Goal for this CEDS is to define those areas where value can be added to strengthen existing programs or create new mechanisms for meeting regional economic development goals and objectives.
Objectives

- **Targets.** Refine target industries for which the region has a competitive advantage but where there is a gap in regional marketing, business recruitment, and labor force development efforts.

- **Competition.** Develop target niches for areas within the region to help reduce competition and build on competitive advantages.

- **Value** (such as information), where possible, to the workforce development efforts already underway from various entities in the region.

- **Infrastructure.** Identify Infrastructure that could help support regional economic development and/or fill significant gaps in sub-regional development.

- **Collaboration.** Identify new opportunities for Coordination and Collaboration in economic development region-wide or on a sector or sub-regional basis.

- **Image.** Identify opportunities for enhancing regional Image or Identity.

- **MAAG.** Identify Roles for MAAG in the regional and sub-regional economic development strategies identified as part of this plan.
Marketing & Business Recruitment

• **Existing Targets**
  - Transport & Logistics Cluster
  - Manufacturing
    - “Tradable commodities”
    - Agribusiness
    - Electronics
    - Medical Equipment
    - Automotive Parts & Equip
    - “Green” Industry
    - Advanced Manufacturing
  - Health Care, Bioscience, Life Science & Med-Tech
  - Management Services
  - Tourism

• **Regional Opportunities**
  - Administrative Support Services
    - Back-office business services
  - Manufacturing
    - Air-freight products (perishables, high-value goods)
  - Food & Agricultural Products
  - Electrical Equipment
  - Packaging
  - Med/Bioscience R&D
    - Pharma/Botanicals
    - R&D anchors, emerging tech/app
  - Dental laboratories
  - Rural Tourism Corridors
Local & Corridor Specialization

- **Airport/Aerotropolis**
  - High-value goods
  - Perishables
  - Packaging

- **Port Areas (M/WM)**
  - Manufacturing: bulk products

- **Midtown & Med District**
  - Medical/Bioscience
  - R&D
  - Medical instrument mfg.

- **SE/NW Axis**
  - Transport & logistics cluster

- **Rural counties and areas (Tipton, Lauderdale, Fayette)**
  - Tourism Corridors
  - Agribusiness
  - Packaging
  - Construction
  - Transport Equipment
  - Electrical/Med Equipment
  - Admin Support
Marketing Approaches

• **Packaging Cluster Collaborative**
  - Packing & Crating Services
  - Plastic Packaging & Sheet Manufacturing
  - Packaging & Labeling Services
  - Corrugated & Solid Paper Box Manufacturing
  - Postal Services
  - Wood Crate and Pallet Manufacturing
  - Source Material Producers:
    - Paper, plastic, wood, wire, dye/pigments, resins & adhesives
  - Transportation Services:
    - Courier and express delivery services; trucking services; rail transportation services; etc.

• **Rural Tourism Initiative**
  - Stronger recognition and development of music and other heritage attractions
  - New destination attractions that strengthen overall tourism marketing themes and tour itineraries.
  - Extension of tour and transportation services through regional networks
  - Destination recreation lodging, services and associated activities.
  - Stronger coordination of regional event calendars and tour itineraries
  - Heritage and other corridors in the region that tie disparate attractions together thematically through transportation and visitor experience enhancements, interpretation and signage programs, mobile applications, grant funding mechanisms, permanent collections, special exhibitions, events, and individual tour operations
• **Small Towns: Admin & Mgt Support Services Cluster**
  - Financial planning, billing and recordkeeping
  - Payroll and human resources
  - Internal travel, logistics and distribution services
  - Employment services
  - Office cleaning services
  - Document preparation services
  - Call centers
  - Business service centers
  - Collections
  - Customer sales and services
  - Internal IT/maintenance services
  - Web design and Internet services
  - Technical support

• **West Tennessee Small Town Downtown Collaborative**
  - Community heritage and historic preservation
  - Aesthetics and sense of place
  - Transportation enhancements
  - Targeted business development and housing
  - Higher education and similar anchor recruitment or development
  - Heritage and recreation tourism
  - Community pride and identity branding
  - Information technology, related infrastructure and capacity
  - Administrative Services workforce readiness & development
  - Retirement housing and services
- **Agribusiness Product Development Initiative**

  - Wood & Paper Products, Windows/Doors, Pallets, Pre-Fab Building
  - Wholesale of Agricultural Products
  - Wholesale of Farm Equipment & Machinery
  - Petroleum Bulk Wholesalers
  - Farm Machinery & Equipment
  - Support Activities or Animal Production
  - Farm Product Warehousing & Distribution
  - Surveying & Mapping
  - Food Production: Sugar Confectionary, Dairy Products, Ice Cream, Frozen Specialty Food Manufacturing, Specialty Meats, etc.

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*RIPLEY IS FAMOUS FOR ITS TOMATOES.*
• **Consistent Globally-Recognized Brand**
  - Music theme: Birthplace of American Music
  - International appeal
  - Successful tourism marketing distilled for economic development
    - Business recruitment
    - Labor force recruitment & development
      - Millennials
      - Creative Class
    - Sense of place
    - Programmatic
    - International business
    - Product development and branding
  - Regional brand application not limited to city of Memphis
  - Provides positive images of city, region
Workforce Development

- **Gaps**
  - Dearth of direct, local technical assistance for training and workforce development, especially in small and emerging businesses.
  - Disconnect between targeted industries and workforce development programs

- **Greater Memphis Alliance for a Competitive Workforce (GMACW)**
  - Collaboration with Lauderdale & Rural Counties
  - Targeted industry development services (*2016 Strategic Sector Workforce Analysis*)
    - Customer Service Reps
    - Skilled Entry IT Specialists
    - Machinists
  - Labor Market Analysis
    - Administrative & business support services
    - Packaging
    - Agribusiness
Incentives & Leveraging

- **Existing Tools & Incentives**
  - TIF (State-enabled)
  - PILOT (State-enabled)
  - TN FastTrack Program
  - TN Tax Credits
  - TN Sales & Use Tax Exemptions
  - Launch Tennessee, TN BERO, TNMEP, SBDC, SBOTN, etc.
  - TN Workforce Dev. Support
  - WIN, Rideshare, GMACW, QPC

- **Potential Tools & Incentives**
  - Local grant programs
  - Local Special Assessments
  - Small Business Incentives
    - Cash-for-jobs
    - Grant-for-construction
    - Growth grants
    - Micro-lending
  - Uses: building rehabilitation, transport, day care, machinery & equipment, job-related cash grants, façade improvement grants, etc.
  - Role for MAAG in exploring incentive programs
  - Potential “Soft” Incentives (Networking, Technical Assistance)
  - Infrastructure, Fast Track
Placemaking & Infrastructure

- **Small town downtowns** (Role for MAAG)
  - Physical environment
  - Management
  - Retail & tourism offering
  - Community identity & sense of place

- **Broadband capacity expansion**
  - Rural counties

- **Regional Transport Infrastructure**
  - Integrate future target industry growth
  - Integrate disparate geographic areas (Fayette, Tipton, Lauderdale, AR-MS)
    - Role for MAAG
  - Direct investment
    - Lauderdale: improved east-west highway access
    - Regional public mass transit
    - Streetscape & Corridor revitalization
Regional Collaboration

• **Small Downtowns Technical Support Program (MAAG)**
  - Downtown master planning
  - Downtown market analysis and economic development strategies
  - Regional tourism development and heritage corridor strategies
  - Downtown infrastructure planning and development
  - Workforce development in targeted small town downtown industries
  - Targeted financial, fiscal, regulatory, and economic incentives
  - Education on the role of downtowns in rural economic development, etc.
  - Co-marketing and cost-saving collaborations between small downtowns in the region

• **Regional Tourism Development Partnerships**
  - Strengthen linkages, develop physical assets, and bring more resources to rural areas
  - Tourism development strategies
  - Development of heritage corridors
  - Resources for corridor revitalization and physical enhancements.
  - Partnerships between Memphis-area attractions, venues, and events with those in the surrounding region
  - Partnerships between the various tourism marketing entities in the area for marketing joint resources
Implementation & Evaluation

- **Collaboration & Partnerships**
  - Administrative & Business Support Services Cluster Organization
  - Packaging Cluster Organization
  - Agribusiness Development Entity
  - Corridor Development Partnerships

- **Implementation Action Plan**
  - Facilitation, partnership development, and technical assistance role for MAAG
  - Program focus on smaller communities and rural areas
  - Regional labor force focus
  - Regional infrastructure focus

- **Evaluation Framework**
  - Facilitation & Collaboration
  - Technical Support
  - Funding & Grant Assistance
  - Communications
Discussion