



Mission: Grow and improve jobs in Washington State.

Vision: The Department of Commerce is at the center of a vital connection between State policy makers wondering how proposed policy will impact the business climate of the state and business leaders needing policy engagement as they strive to grow their employment in Washington State. Helping this important connection work well will grow our state's economy for the benefit of all of our citizens.

Principles for Moving Commerce Forward

1. **Government doesn't create most jobs – businesses do.** Over 80% of our state's economy comes from private sector activity. Businesses contribute about half of the revenue the state collects each year. We must have a tight connection to the private sector to be successful.
2. **Government does play a key role in shaping the state's business climate.** The policy created in Olympia has a major impact on almost every aspect of the state's business climate from the tax rates for business to the level of education and training in the workforce.
3. **Strong economies require strong communities.** Companies will not grow and thrive in communities where adequate social services don't exist, where people lack food and housing, where there is not sufficient infrastructure or where there is not an appropriately trained workforce.
4. **A strong, vibrant business community benefits us all.** Where do our governments get the money to build and maintain these strong communities? They get it from taxes paid by citizens and businesses. And those taxes are based on income generated by employment and commerce. The more successful businesses are in our state, the more employment and commerce there will be and the more money there will be to invest in our communities.
5. **Government should not pick winners and losers.** In general, government should avoid policy that backs specific companies or even specific technologies when designing economic policy. The more specific policy gets, the more likely the state is to pick wrong and do more harm than good.
6. **Retaining our state's current businesses and promoting their growth should be our first priority.** In a business, it is almost always easier and cheaper to drive growth from existing customers than it is to attract new ones. As a state, we should be sure that we are taking care of our existing companies and driving loyalty in them in addition to the work we undertake to attract companies.
7. **Always be opportunistic.** Planning is important and it's always good to have a plan. But it's also important to realize that the world is changing rapidly and not to "fall in love" with your plan and miss a golden opportunity.

8. **Focus on the function** and form will follow.

Significant Themes/Ideas: These are important topics that need to be addressed in the plan we develop.

1. **Innovation**: The Economic Development Commission's recent report highlights innovation as the single most important concept in keeping our state competitive as we move forward. Our state branding is around the phrase "Innovation is in our nature" and it is clear that this is more than a buzzword for us. There are very clear examples of the innovation that has come out of this region for decades. So the key question here is how do we continue to foster innovation in our state and stay out in front of other parts of the world in this critical dimension?
2. **Economic Diversity**: Just as a large corporation is a collection of businesses, each in a different stage of growth and profitability, so our state is a collection of industry sectors that each are in different stages of their life cycle and that each have different priorities and needs when it comes to state support. So any state commerce plan needs to recognize this fact and include a portfolio approach to supporting our overall state economy.
3. **Recovery Act**: We are still in the first stages of a massive economic investment in the country by the Federal Government. Our plan needs to recognize this unique opportunity and ensure that we are taking maximum advantage of this giant pool of capital, particularly in areas like "energy" where there is a great deal of money being allocated based on competitive proposals.
4. **Recession**: The big question here is what opportunities does this dramatic downturn present to re-shape or re-structure the way we do business both as a state government and as a state as a whole?

Key Questions to Answer

1. What significant opportunities does the state have right now and how do those opportunities relate to retaining and creating jobs in our state?
2. What do our customers and stakeholders think about how we're doing?
3. How do we benchmark as a state against other states and other parts of the world in each area of activity?
4. What should government do to take advantage of our strengths and mitigate our weaknesses?
5. What gaps and overlaps do we need to address to ensure that our programs are delivered well, particularly as we consider federal, state, regional and local resources?
6. What activities can we stop doing to create the capacity to do new things or more of a specific activity?

"In the new economy, conversations are the most important form of work."

