

Budget Activity: ITED A035 - Community Economic Revitalization Board programs

Purpose: Make strategic investments in publicly owned economic development infrastructure projects

Agency Goal: Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens

Priority of Government: Improve the economic vitality of business and individuals

Analysis: .

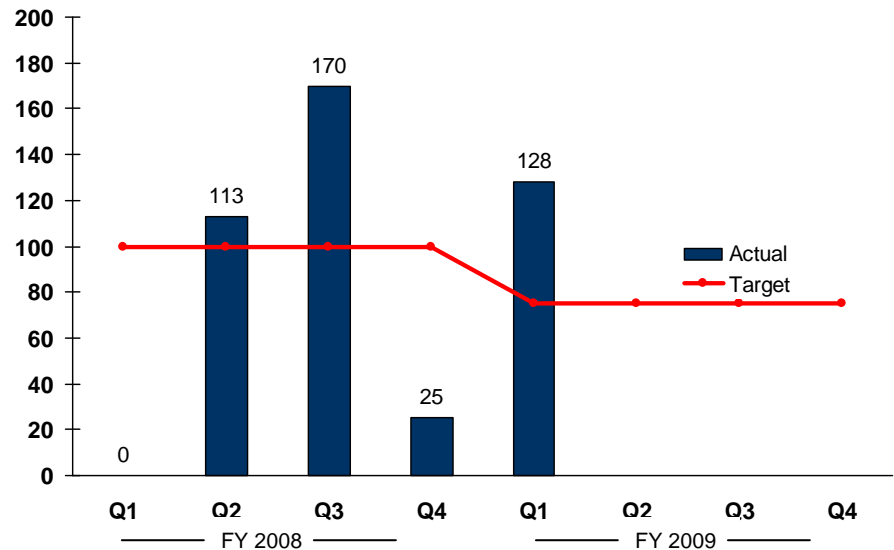
• Projections for the remainder of 2009:

- Q2: 820 jobs
- Q3: 972 jobs
- Q4: 1,357 jobs

Notes:

- These results are a subset for activity A163
- Contract execution is the point at which results are calculated.

E003 - Estimated number of jobs created and retained as a result of infrastructure investments (outcome)



Action Plan

Who

Timeframe

Continue to support a budget proposal requesting additional funding for CERB.

Larry Williams & Nick Demerice

Nov. - ? 2008

Budget Activity: ITED A035 - Community Economic Revitalization Board programs

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Priority of Government: Improve the economic vitality of business and individuals

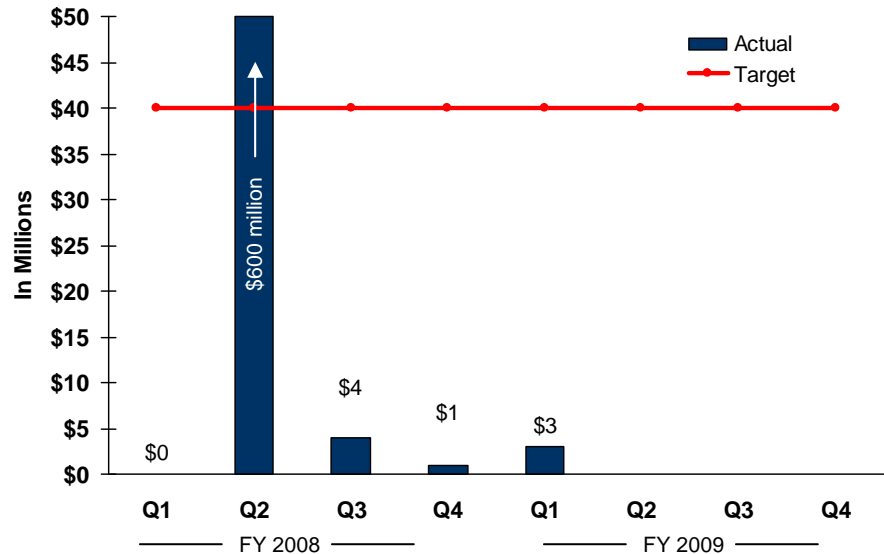
Analysis:

- Trend data over the last five years indicates a 12-15/1 return of private investment leveraged by CERB funds.
- Results are calculated at the point of contract execution. No contracts were executed in Q1 FY09.
- Projections for the remainder of 2009:
 - Q2: \$25.9 million
 - Q3: \$2.1 million
 - Q4: \$155 million

Notes:

- Strong second quarter results in FY08 were due to an anomalous expansion of the REC Silicon project.

E004 - Estimated amount of private capital investment leveraged by CERB funding (outcome)



Action Plan

Continue to support a budget proposal requesting additional funding for CERB.

Who

Larry Williams & Nick Demerice

Timeframe

Nov. - ? 2008

Budget Activity: ITED A038 - Film and Video Office

Purpose: Provide technical assistance and serve as informational clearing house to individuals and entities engaged in film, television and commercial production in the state

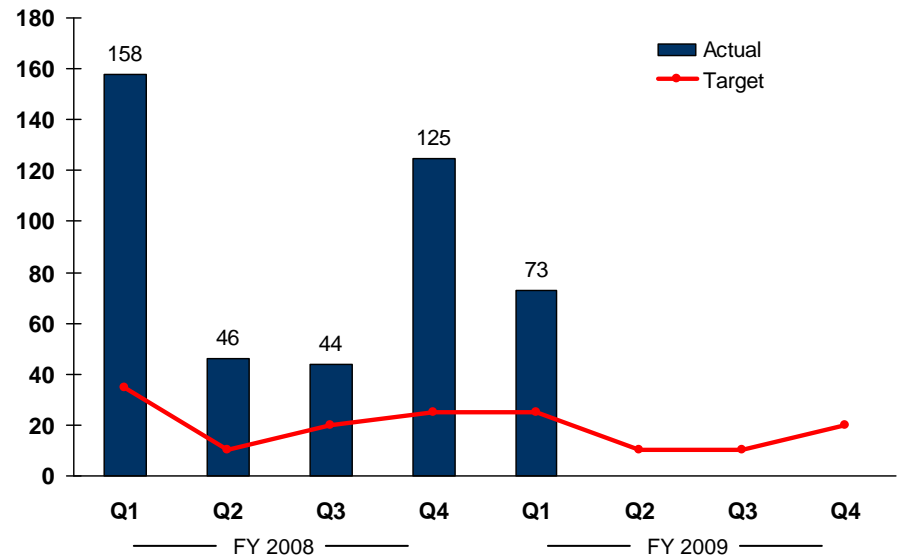
Agency Goal: Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens

Priority of Government: Improve the economic vitality of business and individuals

Analysis:

- The first quarter which are the summer months is the busiest season for filming in WA: we had multiple feature films and television commercials
- Since the development of the goals we have changed the manner in which the film office describes the projects they assist. This was to bring the program more inline with the definitions of the division. We will need to raise goals to be inline with current projections.
- Projects have a broad definition. Examples: a low budget independent film, a four day commercial, a documentary, etc.

E005 - Number of projects filmed in Washington (output)



Action Plan

Continue to work with industry and government stakeholders to develop long term strategy.

Who

Mary Trimarco and Larry Williams

Timeframe

Winter 2009

Budget Activity: ITED A038 - Film and Video Office

Purpose: Provide technical assistance and serve as informational clearing house to individuals and entities engaged in film, television and commercial production in the state

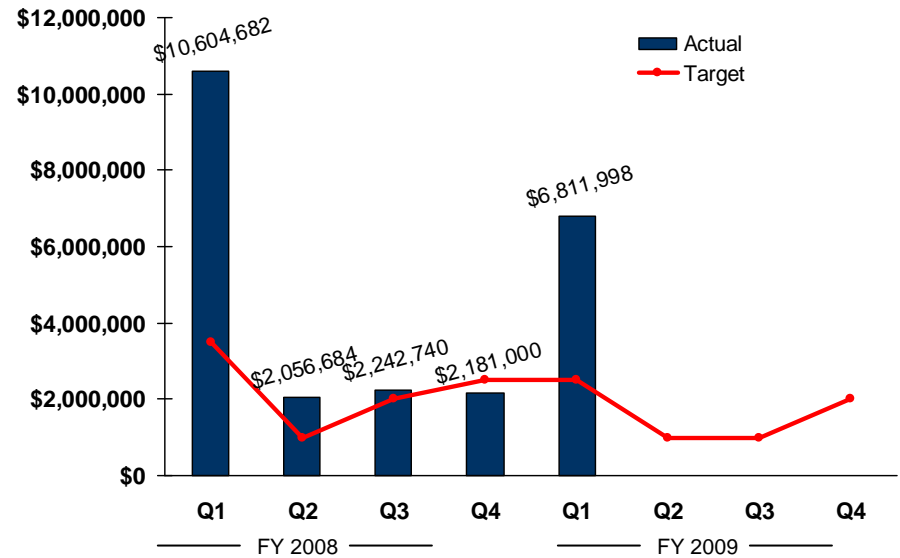
Agency Goal: Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens

Priority of Government: Improve the economic vitality of business and individuals

Analysis:

- The incentives have taken hold and attracted three independent films that shot the Q1 FY 2009.
- Summer reflects an increase in television commercial production within the state particularly car ads.
- Quarter 2 for FY09 will be over \$6 million due to two feature films currently shooting.
- We are projecting a slowdown to \$1 million per quarter for the final 2 quarters of FY '09 due to weather which will be inline with our goal setting.
- The financial crisis will negatively impact film production going into Q4 and the summer of FY 2010.
- Traditional spending averages \$100,000 per production. When a big show comes in it can skew the number to \$140,000.

E001 - Film Industry Spending - Dollars spent in Washington by the film industry (outcome)



Action Plan

Continue to work with industry and government stakeholders to develop long term strategy.

Who

Mary Trimarco and Larry Williams

Timeframe

Winter 2009

Budget Activity: ITED A044 - Tourism Development

Purpose: Market the state as a travel destination

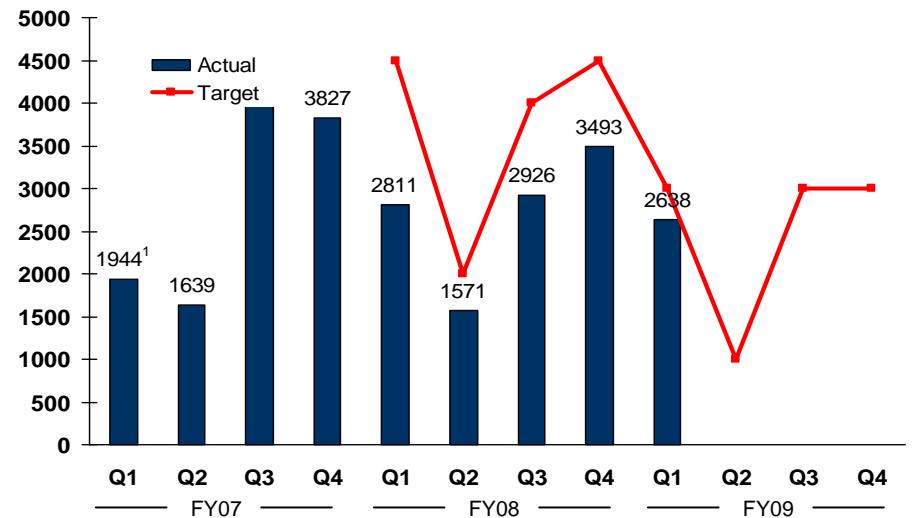
Agency Goal: Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens

Priority of Government: Improve the economic vitality of business and individuals

Analysis:

- Our forecast was for call volumes to decrease slightly over FY2008, as inquiries continue to shift to the Web.
- This decrease mirrors national trends in declining call center volumes, as more inquiries are handled through on-line channels instead.
- Visitors continue to favor using the website to plan their vacations and request visitor information.

E006 - Number of calls received from travelers inquiring about Washington (at our call center) (input)



Action Plan

Who

Timeframe

Replace measure with Tourism’s ROI GMAP measure.

Nick Demerice and Cyndee Baugh

Nov. 2008

Create higher volumes of online orders and downloads by enhancing the presence of our travel planner on the website.

Tourism Team

FY 2009 – By March 2009

Budget Activity: ITED A044 - Tourism Development

Purpose: Market the state as a travel destination

Agency Goal: Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens

Priority of Government: Improve the economic vitality of business and individuals

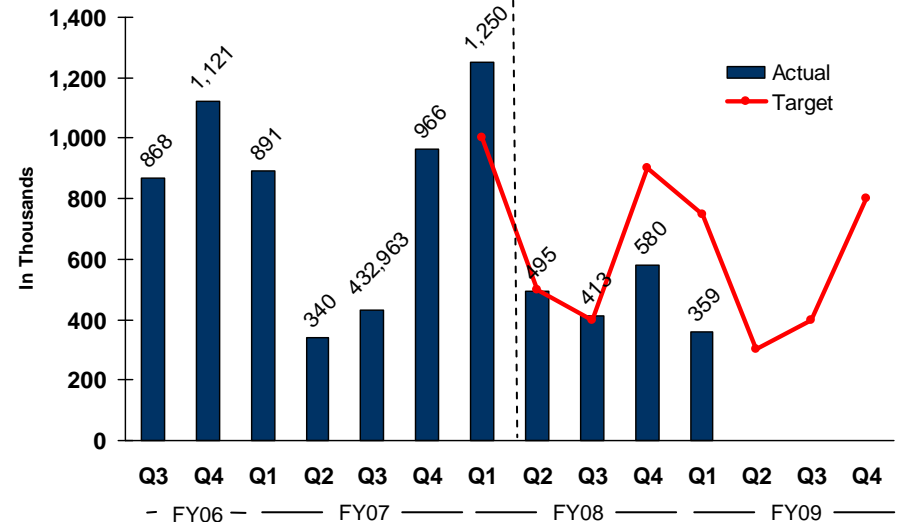
Analysis:

- New WebTrends tracking was implemented in February, 2008 (FY'08-Q3), which refined and improved accuracy of our tracking.
- The older version of WebTrends tracking (before Feb. 2008) double-counted and inflated the number of web visits.
- Goals were set using existing data, prior to transition, and were therefore somewhat overstated.
- FY2009 / Q1 definitely saw an anomaly with a drop in traffic in July, 2009. We have not been able to isolate the cause
- We continue to analyze Web traffic patterns, using the enhanced WebTrends and will use our findings to inform future marketing decisions.

Note:

- Dotted line indicates when new WebTrends was adopted.

E007 - Number of visits to experiencewashington.com website (input)



Action Plan

SEO: continue to refine and execute SEO to include custom content and strong linking strategies.

Who

Alexander Harper & Ascentium

Timeframe

On-going

SEM: "paid" search (pay-per-click) begins in Jan.'09, with an increased budget. Most cost-effective online advertising to increase site visibility

Betsy Gabel & Hadley Green Creates

FY2009 – Q3

Advertising: new '09 campaign incl. print and on-line

Betsy Gabel & Hadley Green Creates

Q2 – plan / Q3 + Q4= execute

Budget Activity: ITED A084 - Overseas Office Contract Activities

Purpose: Provide information on WA to foreign clients provide marketing information on foreign markets to WA businesses, facilitate economic development relationships between regions

Agency Goal: Prepare the state to compete in a global marketplace

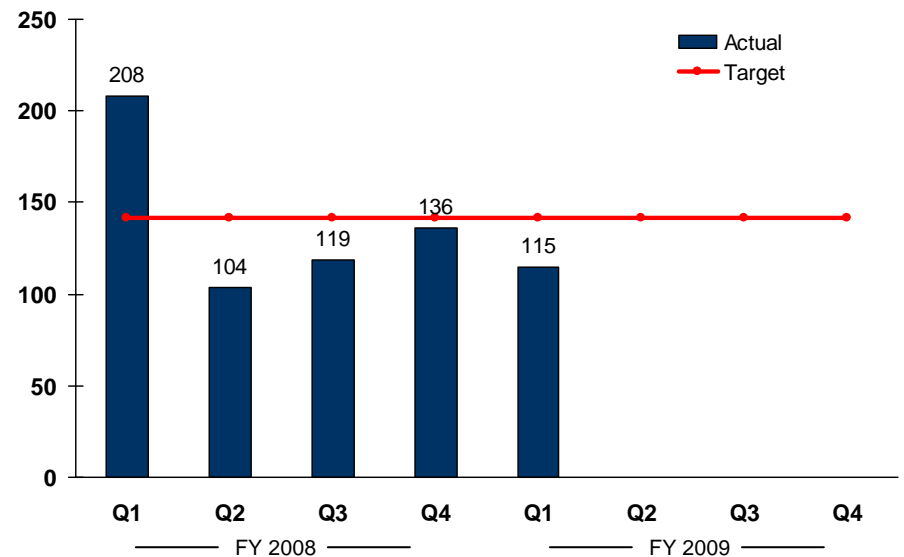
Priority of Government: Improve the economic vitality of business and individuals

Analysis:

- Industrial Machinery, Clean Technology, Aerospace and ICT didn't achieve goal for new cases.
- ICT focused on a major China mission in Q1 and will refocus on individual clients in Q2. Will revise monthly targets for other industries to get back on track in Q2.
- Client demand for Korea, Mexico and Europe was lower than expected.
 - Downward trend in demand for Korea is under review

Notes:

- Slides 7 and 8 are important to evaluate together.
- These results are a subset for activity A171.

E008 - Number of new cases managed by CTED's overseas office (completed service delivery) (output)

Action Plan
Who
Timeframe

Conduct a series of 9 regional seminars statewide to promote export opportunities.

CTED, WMS, EFACW, ADO's, SBDC's

To complete before June 30

Educate exporters about non-bank financing options to support international sales

EFACW, CTED, Ex-Im

Ongoing this FY

Budget Activity: ITED A084 - Overseas Office Contract Activities

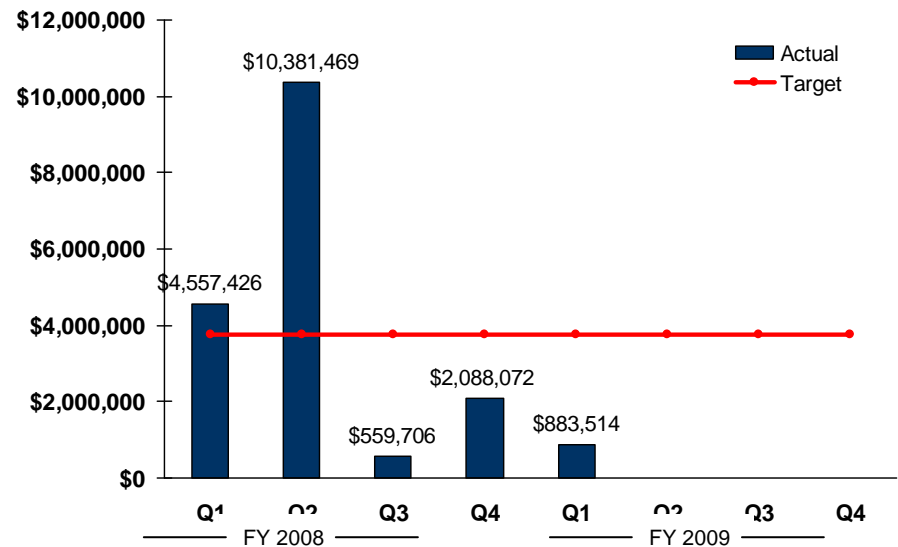
Purpose: Provide information on WA to foreign clients provide marketing information on foreign markets to WA businesses, facilitate economic development relationships between regions

Agency Goal: Prepare the state to compete in a global marketplace

Priority of Government: Improve the economic vitality of business and individuals

Analysis:

- Japan office achieved sales target in Q1
- All other offices are significantly below target, including new representatives in Europe, Korea and China
 - China historically has been a strong market for CTED clients.
- Newest industry program – Clean Technology is not achieving sales
 - Reassigning some clients from other industries to Clean Tech
 - Clean Tech is not expected to have strong results over the short-term. An investment in the future.
- Low sales results for ICT, Education and Life Sciences
- ICT and Education are expected to reach annual sales target
- Life Sciences strategy is under review

E009 - Export sales generated by overseas office contract activities reported by clients (outcome)

Action Plan

- Follow up on Farnborough Air Show for additional sales results
- Focus on client sales surveys in Q2

Who

- Bill King
- All program staff

Timeframe

- Dec and June
- Oct – Dec

Budget Activity: ITED A171 - Global Trade and Investment Services

Purpose: Diversify the state's economy by increasing the sales of Washington products in overseas markets

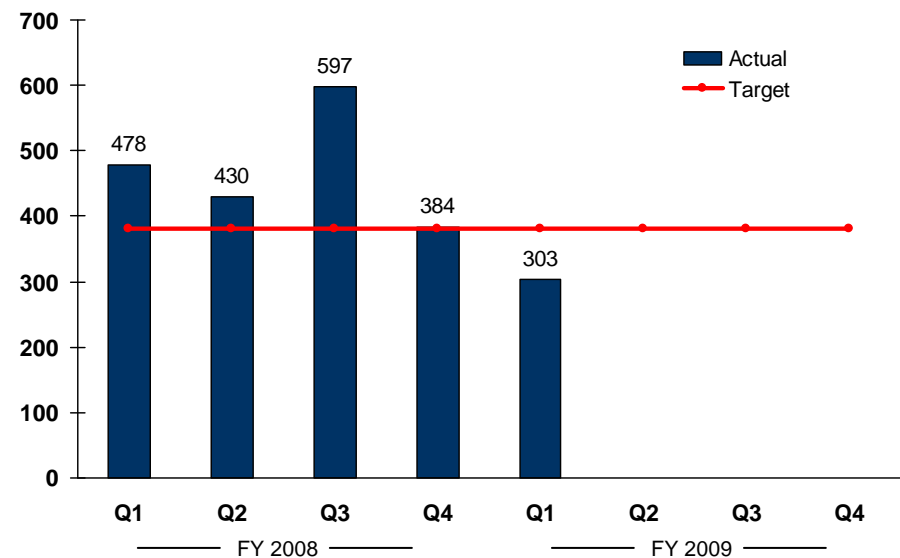
Agency Goal: Prepare the state to compete in a global marketplace

Priority of Government: Improve the economic vitality of business and individuals

Analysis:

- Slides 9 and 10 are important to evaluate together
- 10% of cases for companies that hadn't previously exported
 - Increased global competitiveness, but
 - More time intensive and longer time horizons for results for these clients
- Improved results for EFACW will show up in Q2

E010 - Number of export assistance cases managed by CTED (completed service delivery) (output)



Action Plan

Who

Timeframe

Setting higher monthly targets for client development meetings

All program staff

Immediate

Revising aerospace trade strategy for higher levels of programming and individual client assistance

King

Immediate

Budget Activity: ITED A171 - Global Trade and Investment Services

Purpose: Diversify the state's economy by increasing the sales of Washington products in overseas markets

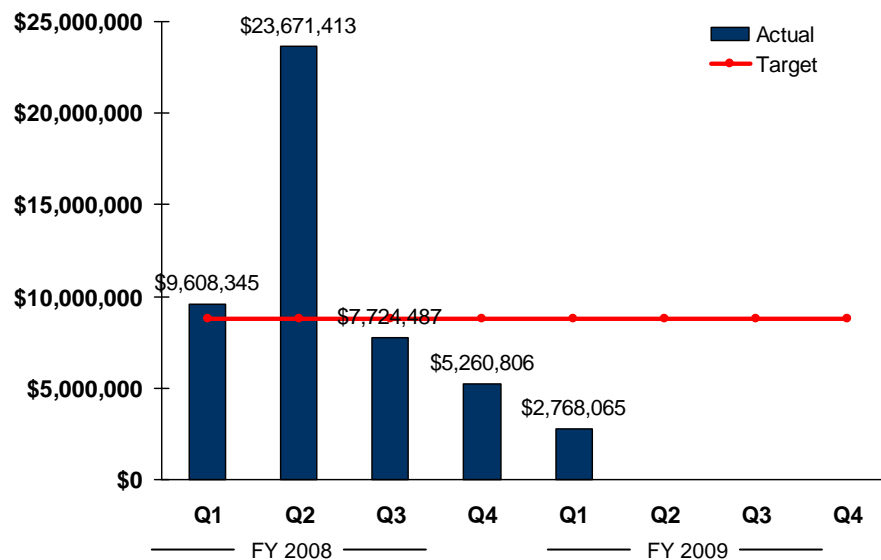
Agency Goal: Prepare the state to compete in a global marketplace

Priority of Government: Improve the economic vitality of business and individuals

Analysis:

- Q1 sales were 66% below target
 - EFACW 100% below target
 - CTED 25% below target
- EFACW \$15 mil shortfall for last three quarters
 - CTED reached its target in Q3 and Q4
- Q1 strong sales in Canada and India - \$1.5 mil
- The global financial crisis means risk of reduced exports from WA in the coming months
 - Reduced international demand
 - Tight credit and working capital issues
 - Some clients less able or willing to take business development trips to international markets.

T001 - Total Export sales reported by clients (outcome)



Action Plan

Who

Timeframe

Six major missions and trade shows in Q2 FY 09 are expected to provide up to \$6 mil sales

DeFrank, Chino, da Gama Campos, Hansen, King

Oct and Nov

Closely monitor and coordinate with EFACW

Calhoon

Ongoing

Budget Activity: ITED A170 - Regional Services

Purpose: Encourage investment and job creation

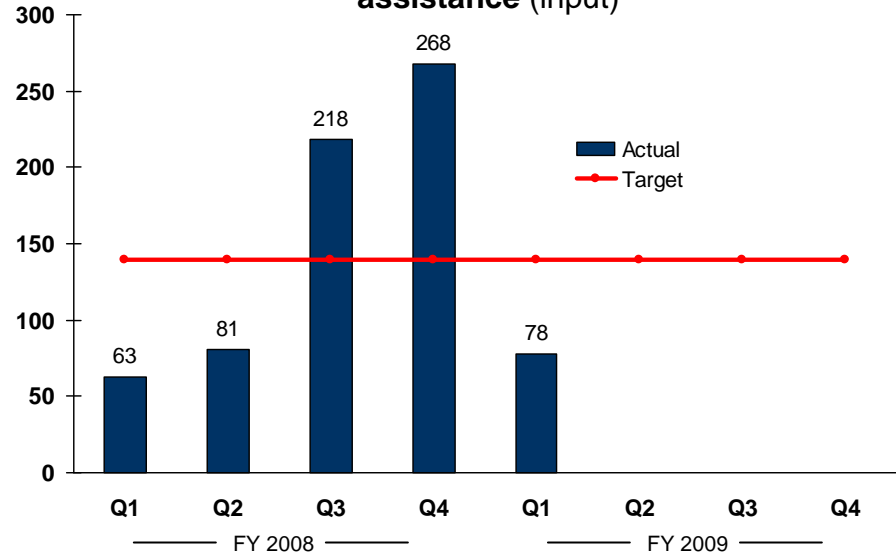
Agency Goal: Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens

Priority of Government: Improve the economic vitality of business and individuals

Analysis:

- There is an increase in requests compared to a year ago.
- There is a significant decrease in the requests from last quarter.
- Need to consider if this is a seasonal trend which can be predicted.
- Due to the current economic situation may see a decrease in traditional request for assistance and stimulate additional requests from non-traditional sectors such as start-ups.

E011 - Number of unique local organizations and companies requesting economic development assistance (input)



Action Plan

Draft a plan to expand capacity in regional offices in not only financial services and community development but a wide array of CTED services.

Who

Larry Williams and Ken Olson

Timeframe

Dec 2008

Budget Activity: ITED A170 - Regional Services

Purpose: Encourage investment and job creation

Agency Goal: Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens

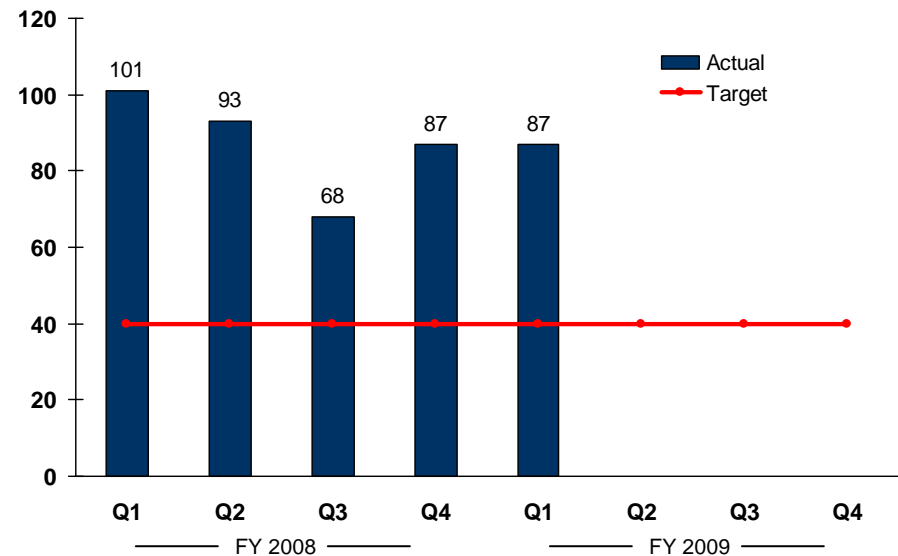
Priority of Government: Improve the economic vitality of business and individuals

Analysis:

The residual from the increase in the number of requests in the Q4 and the decrease in requests this quarter is reflected in a consistent number of open cases.

- As available funds diminish as the biennium progresses there may be a reduction in the number of open cases.
- With an uncertain economic near future many companies are putting their expansion and location plans on hold.
- Local governments are also experiencing tight budgets which impacts their ability to pursue our infrastructure financing programs.

E012 - Number of open cases (more than four hours of assistance) (output)



Action Plan

Who

Timeframe

Assess cases and profile needed services compared to internal resources and partner strengths.

Ken Olson

Dec 2008

Re-evaluate goals and adjust if necessary

Ken Olson, Nick Demerice

Dec 2008

Budget Activity: ITED A168 - Economic Development Capacity Building and Outreach

Purpose: Strengthen skills and expertise of community leaders, economic development professionals and small businesses

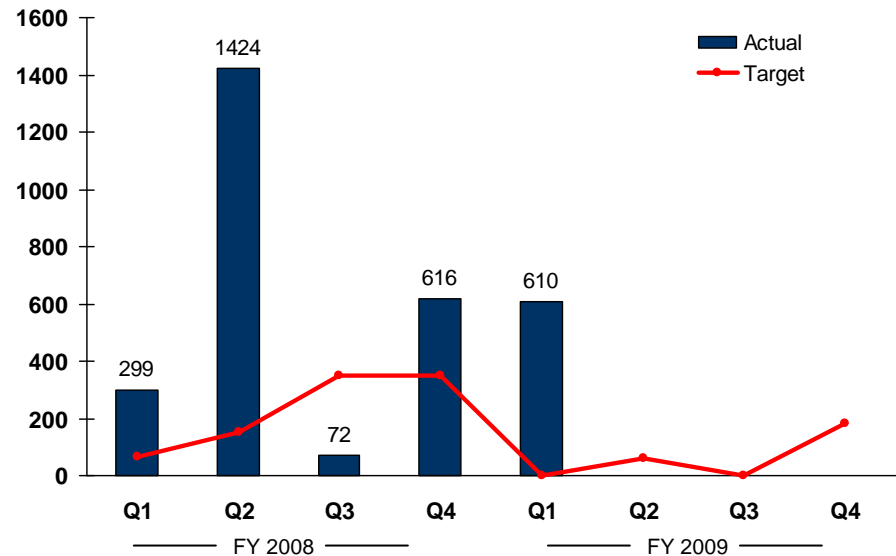
Agency Goal: Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens

Priority of Government: Improve the economic vitality of business and individuals

Analysis:

- Numbers exceeded the targets in the first quarter due to the Governors Conference.
- We are currently evaluating the training programs we provide to ensure we have the trainings communities need most.

E013 - Number of individuals served through ITED-sponsored training and conferences (output)



Action Plan

Requests for education and training remain high. Plans are to continue current schedule and support additional requests by communities on as needed basis as well as funding availability

Who

George Sharp

Timeframe

As requested by communities.

Budget Activity: ITED A162 - Statewide Programs

Purpose: Provide financial and/or technical assistance to companies and communities to retain, expand and attract businesses

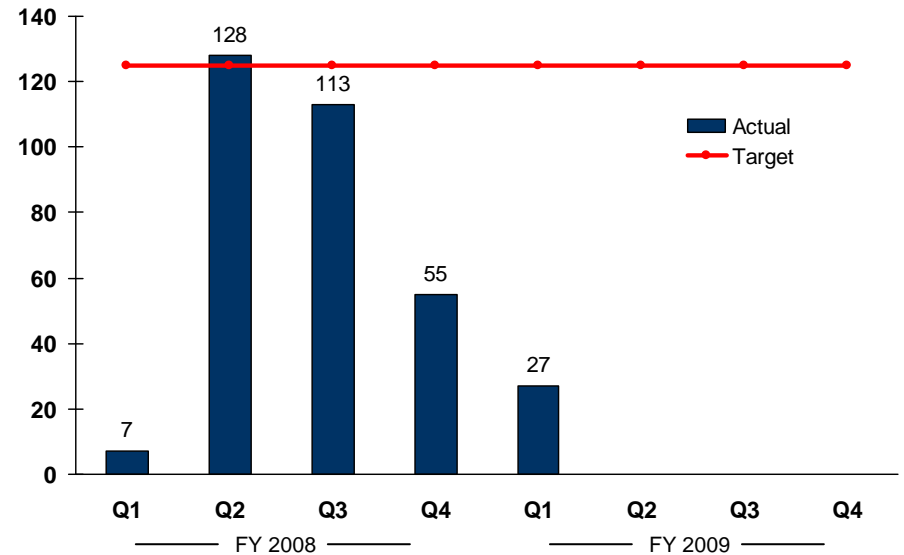
Agency Goal: Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens

Priority of Government: Improve the economic vitality of business and individuals

Analysis:

- Although staff in this unit work on many projects most results are captured in the Grants and Loans and Regional Services units to avoid double counting.

E014 - Estimated number of jobs created or retained as a result of ITED assistance (outcome)



Action Plan

Who

Timeframe

Budget Activity: ITED A162 - Statewide Programs

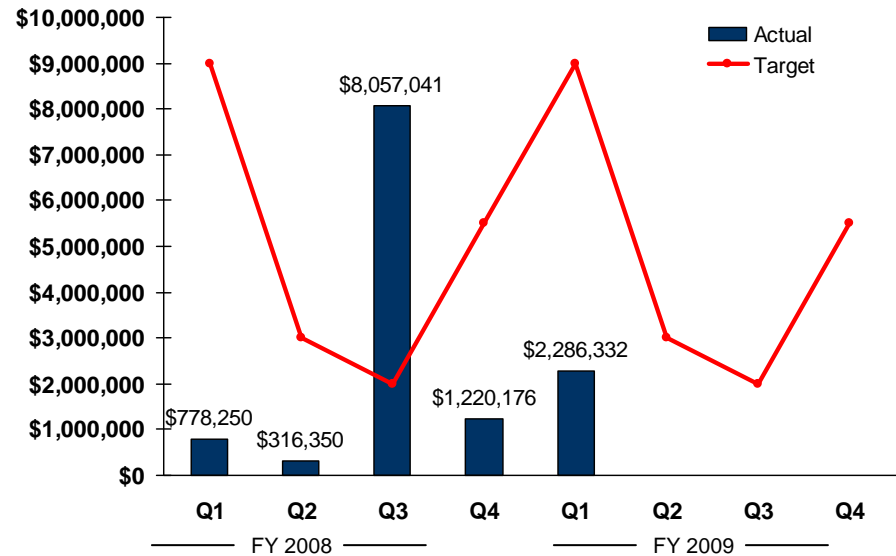
Purpose: Provide financial and/or technical assistance to companies and communities to retain, expand and attract businesses

Agency Goal: Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens

Priority of Government: Improve the economic vitality of business and individuals

Analysis:

E015 - Estimated amount of private capital investment leveraged with CTED assistance (outcome)



Action Plan

Who

Timeframe

Budget Activity: ITED A162 - Statewide Programs

Purpose: Provide financial and/or technical assistance to companies and communities to retain, expand and attract businesses

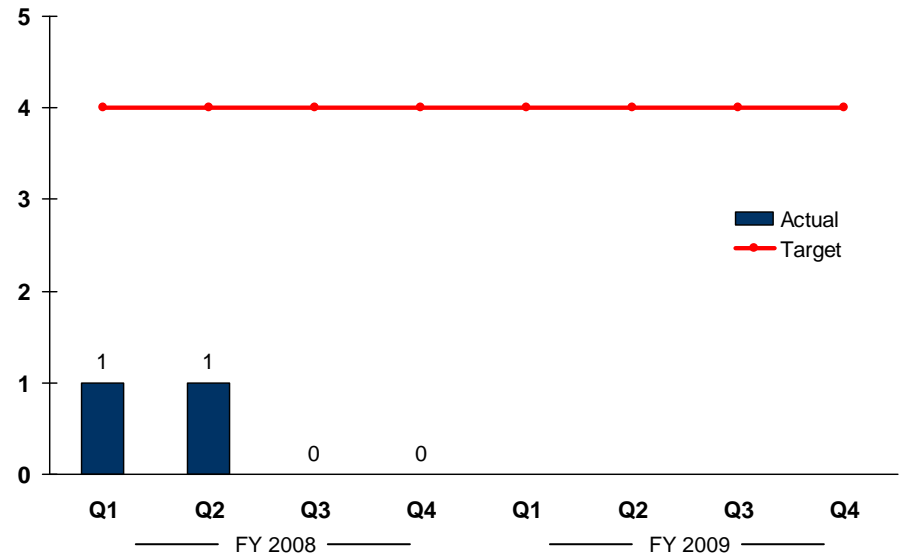
Agency Goal: Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens

Priority of Government: Improve the economic vitality of business and individuals

Analysis:

- With the work we did in connection with the Governor’s economic vitality GMAP it is clear the way we count this measure is not truly reflective of the work ITED does in business recruitment.
- In order to avoid double counts within the ADO network we count very few of our success recruitments. These results are picked up down stream in the pipeline. This will be a consideration when setting goals in the future.

E016 - Number of businesses sited in the state as a result of timely and coordinated responses to prospective business leads and site location inquiries (outcome)



Action Plan

Who

Timeframe

Hire a new managing director for the Statewide Programs unit.

Larry Williams

Summer 2008

Work with new managing director to create new measures that accurately reflect the work of the business unit.

Larry Williams, new managing director

Summer 2008

Budget Activity: ITED A163 - Economic Development Financial Assistance

Purpose: Provide contracting, fund management and loan repayment services in ITED

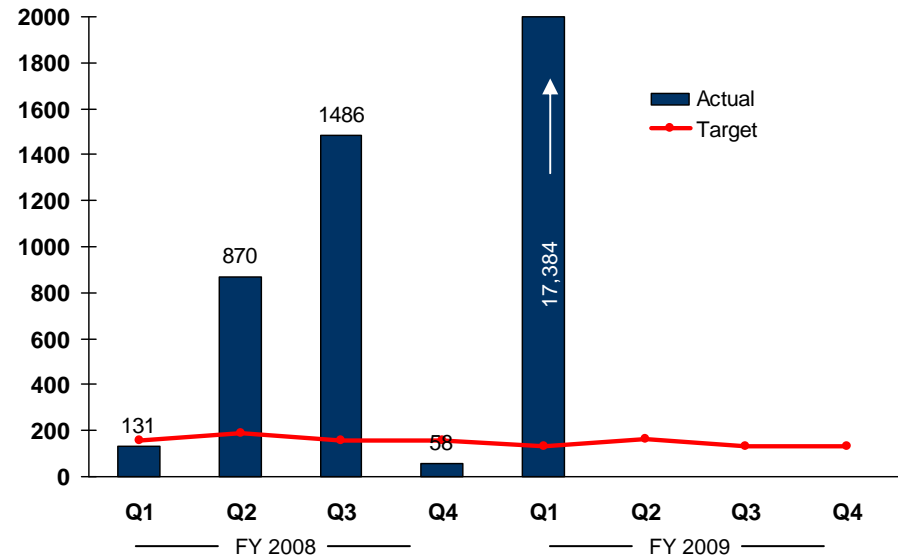
Agency Goal: Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens

Priority of Government: Improve the economic vitality of businesses and individuals

Analysis:

- Target goals have been adjusted to reflect new scope of the measure, which now includes both CERB programs and business loans.
- Big spikes in quarters 2 & 3 of FY2008 and Q1 of 2009 are due to three JDF grants finally going to contract and the LIFT awards being made at the September CERB meeting. It is difficult to estimate when the contracts will be executed for JDF grants. If another round of LIFT awards are authorized we will anticipate them when setting our targets.
- With the exception of the JDF and LIFT impacts we believe we are on track with historical trends.
- The goals and results for this measure will change with the addition of new programs to the business unit.

E017 - Estimated number of jobs created and retained as a result of ITED assistance (outcome)



Action Plan

Add goals for Mainstreet, Child Care Facility Fund and Brownfields to the overall goals.

Who

Nick Demerice

Timeframe

November 2008

Budget Activity: ITED A163 - Economic Development Financial Assistance

Purpose: Provide contracting, fund management and loan repayment services in ITED

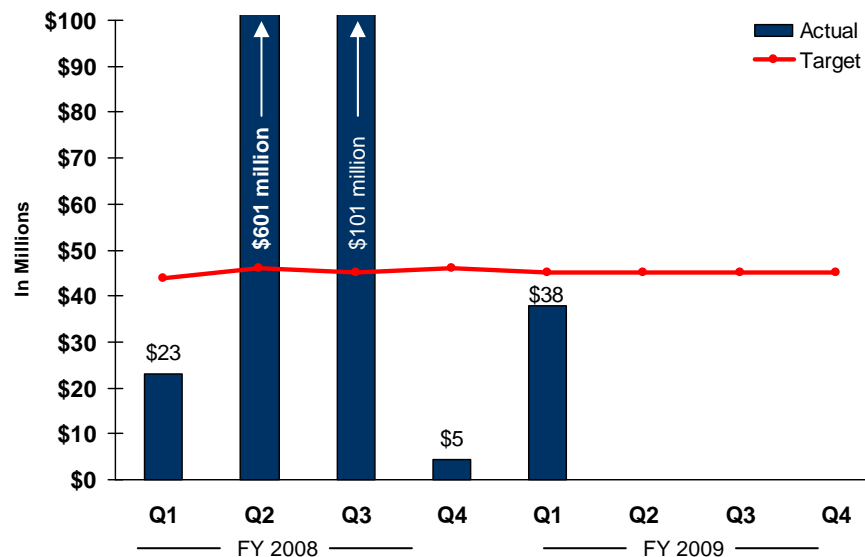
Agency Goal: Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens

Priority of Government: Improve the economic vitality of businesses and individuals

Analysis:

- The vast majority of the FY08 Q2 results are the REC silicon investment referenced in slide #2
- Q3 results are driven by a JDF funded contract
- JDF funding of contracts over the next 6-8 months will push results above the target mark until all contracts are out; results will then probably fall back to the target level.
- The goals and results for this measure will change with the addition of new programs to the business unit.

E018 - Estimated amount of private capital investment leveraged with CTED funding (outcome)



Action Plan

Add goals for Mainstreet, Child Care Facility Fund and Brownfields to the overall goals.

Who

Nick Demerice

Timeframe

November 2008