

Marion County Development Commission

Target Industry Analysis and Strategy

Final Presentation

July 28, 2021

STRATEGY MATTERS



Today's Agenda

- About Ady Advantage
- Project Overview
- Report Highlights
- Thank You/Q&A

About Ady Advantage

Strategic challenges are our areas of expertise.

With a mix of research, competitive positioning and marketing/communications we help clients:

- Develop industrial sites, from feasibility through marketing of the sites
- Create strategies for locations based on quality of place
- Proactively go after prospects
- Identify and address talent issues
- Improve success rate with RFIs

About Ady Advantage

Strategic challenges are our areas of expertise.

Research

Gathering and analyzing data to support decision making.

- Talent-led target industry analyses
- Economic development strategic plans
- Research among site location decision makers

Competitive Positioning

How to zero in on your strongest positioning and express it?

- Asset mapping
- Positioning platforms for talent and industry
- Logo and brand standards

Marketing/Communications

How to communicate with decision makers about your area?

- Marketing plans
- Websites, social media, and public relations
- Marketing campaigns and lead generation

PROJECT OVERVIEW



Project Overview

PROCESS OVERVIEW



INITIAL MARKET ASSESSMENT

How does the region compare on key criteria that site selectors and companies use when making location decisions? What are the County's key strengths and weaknesses?

- Conduct an economic base, occupation base and location criteria analysis.
- Analyze key economic and demographic data and trends in the region.
- Review existing plans/studies that may help inform asset mapping and hypotheses to test during next step.



COMPREHENSIVE STAKEHOLDER ENGAGEMENT

What are the challenges and opportunities in the region from the perspective of employers, community members, community leaders, etc.?

- Conduct virtual local input sessions, including one-on-one employer interviews and stakeholder roundtables.
- Marion County team to provide a virtual windshield and sites/buildings tour to show the available product in the area. This will be a key component to determining which target industries would be best suited for the available product in Marion County.



OPPORTUNITY AND BARRIER ASSESSMENT

What are the economic assets of the region, including sites and buildings? What are the unique opportunities and challenges associated with doing business in the region?

- Catalogue economic assets, including sites and buildings.
- Identify key themes across the region that impact economic development.
- Provide initial feedback and recommendations on key opportunities and barriers to growth in the region.



TARGET INDUSTRY SECTOR ANALYSIS AND POSITIONING

Which industries would place the greatest value on the unique assets in Marion County and the region? What industries can complement or enhance existing industry clusters?

- Conduct a NAICS code analysis to determine strong existing industries in the region, as well as those subsectors that show opportunity for Marion County based on its current assets, as well as future aspirations.
- Create a scorecard based off the screening criteria determined throughout conversations with Marion County and use this scorecard to recommend three to five industry sectors to that are the most competitive with further sub-sector delineation and definition. This will include recommending which subsectors would be a good fit for direct recruitment versus indirect recruitment.
- Create assets maps for costs and conditions in the region for each industry based on which location criteria are most important. This will become the baseline for communicating the value proposition and business case of the region when attracting companies in these industries.



TARGET INDUSTRY MARKETING STRATEGIES AND PITCH COACHING

What strategies should the community pursue to achieve its growth and diversification in its target industries?

- Develop marketing strategies and tactics to reach business decision makers and site selectors in each target industry.
- Provide education and coaching on responding to Requests for Information and pitching the region throughout the site selection process.

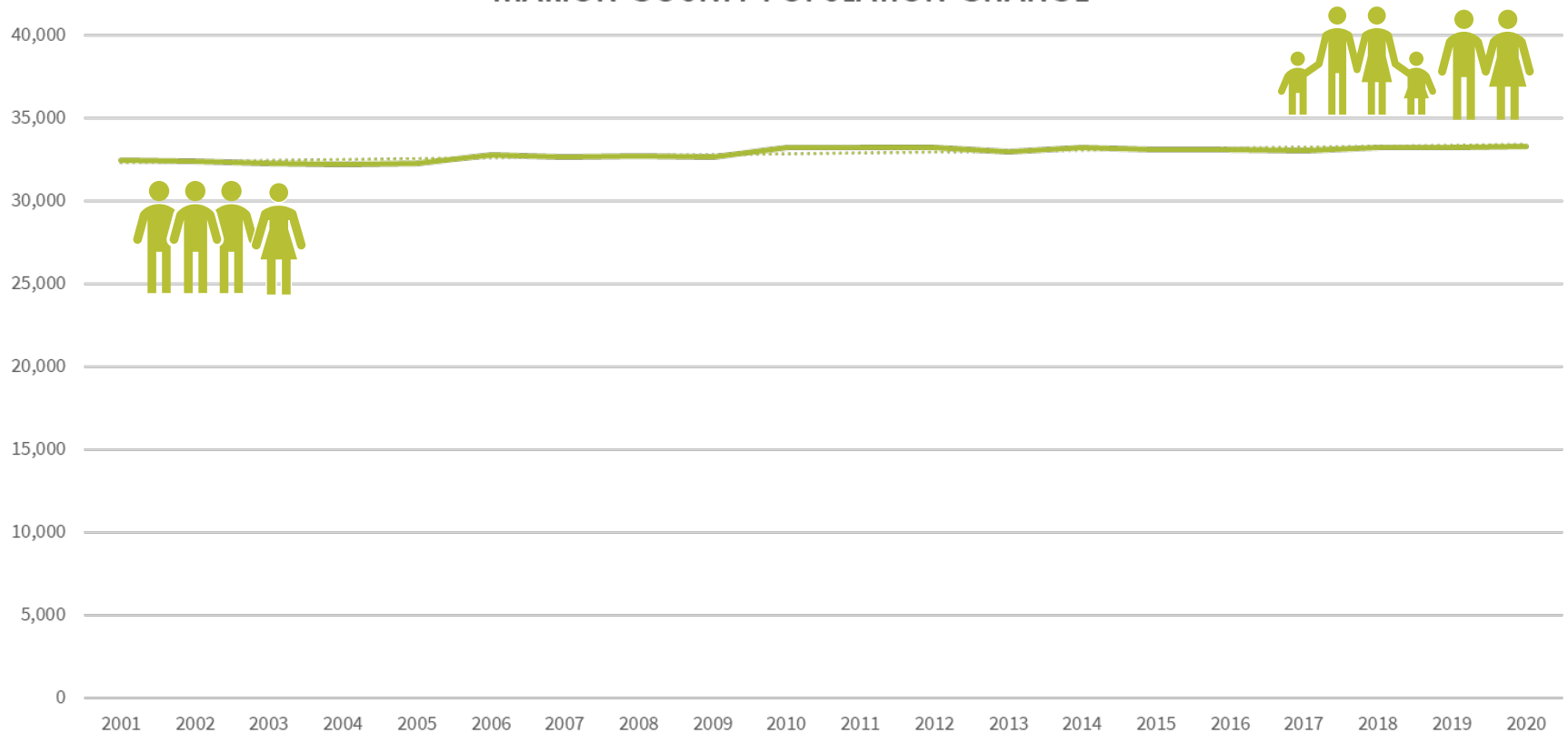
REPORT HIGHLIGHTS



Report Highlights

LOCATION CRITERIA

MARION COUNTY POPULATION CHANGE



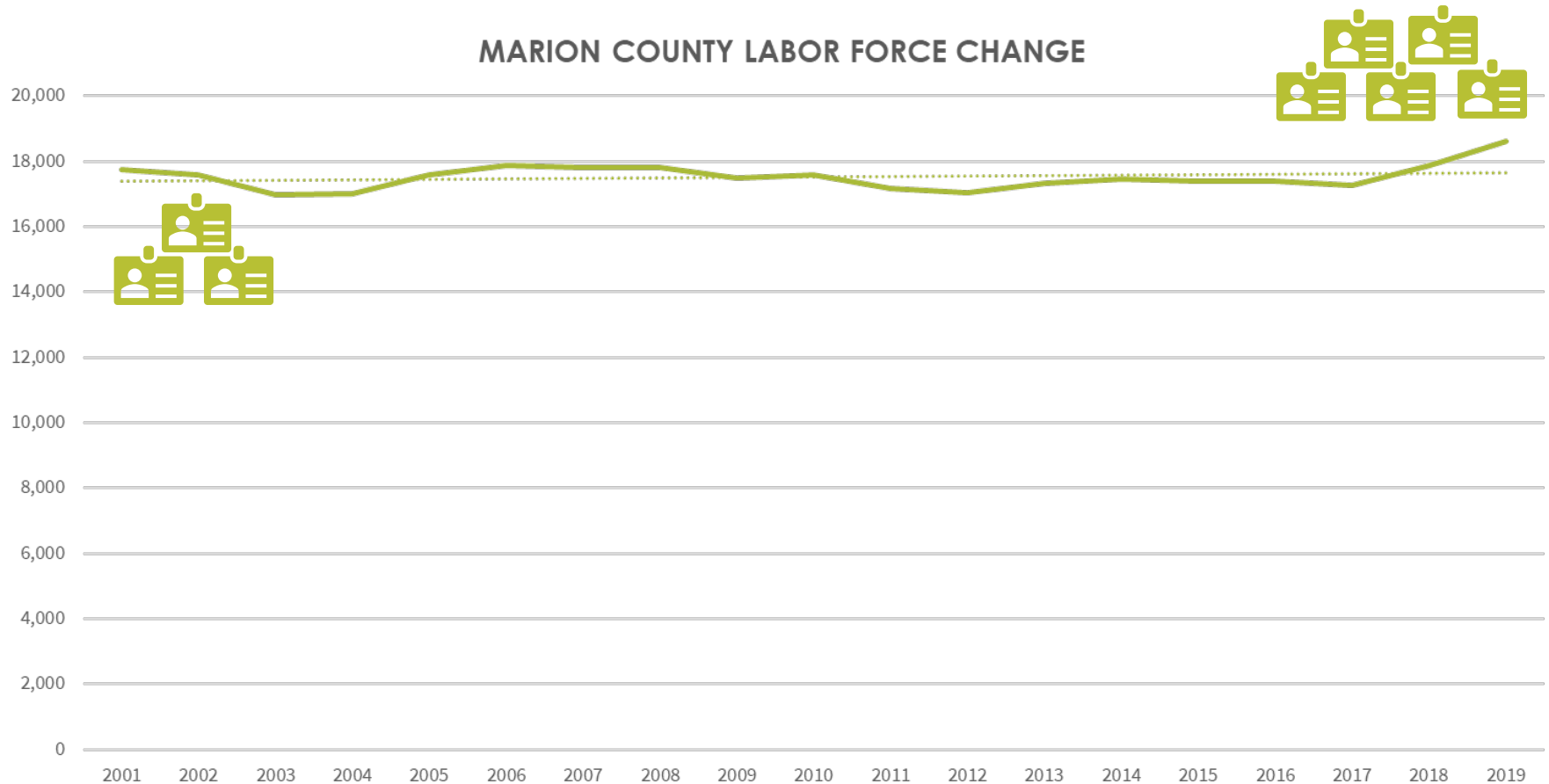
Green Line = Actual change over time
Dotted Line = Average trend over time

Source: U.S. Census Bureau, 2020

Report Highlights

LOCATION CRITERIA

MARION COUNTY LABOR FORCE CHANGE



Green Line = Actual change over time
Dotted Line = Average trend over time

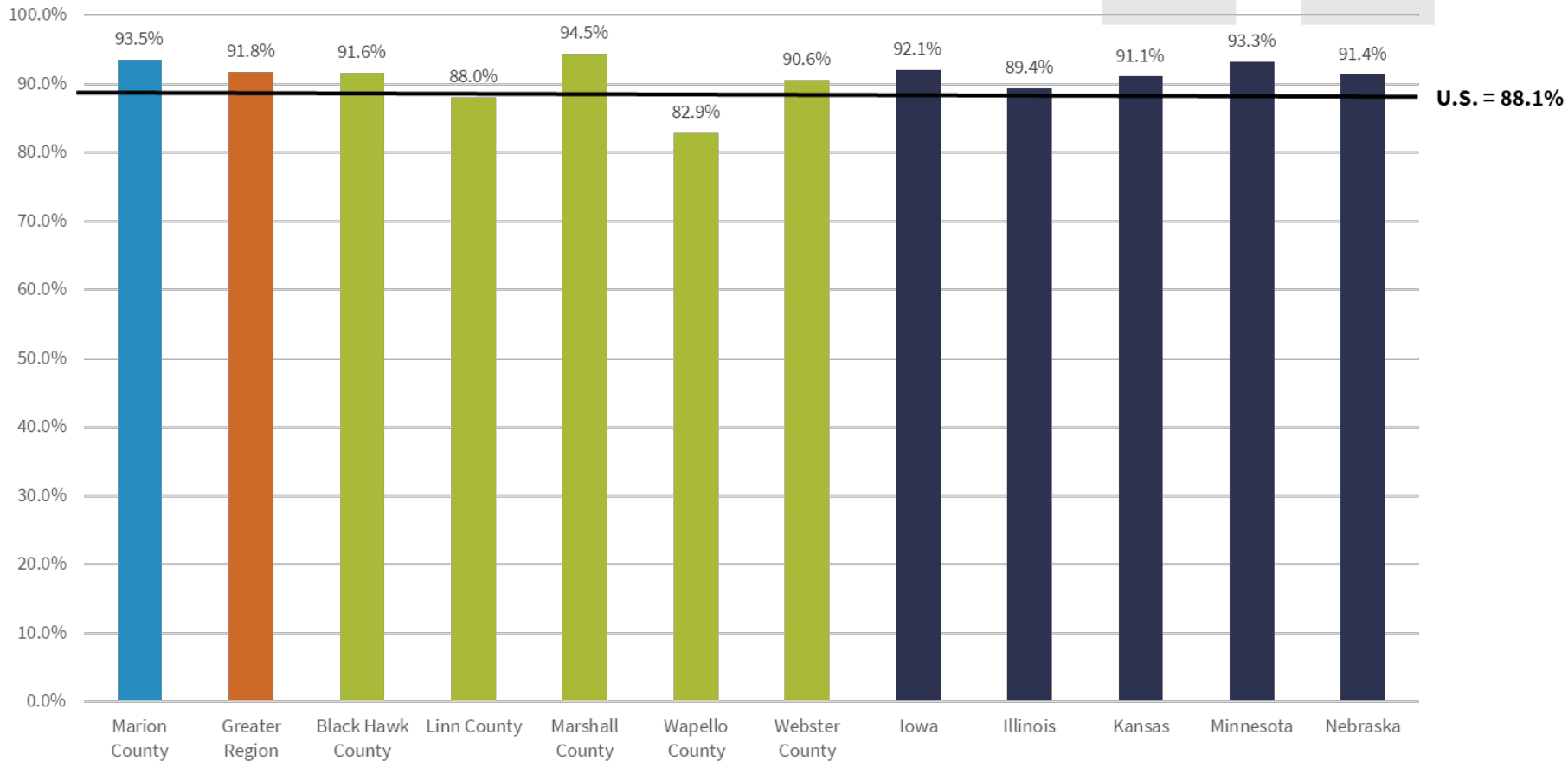
Source: U.S. Census Bureau, 2020

Report Highlights

LOCATION CRITERIA



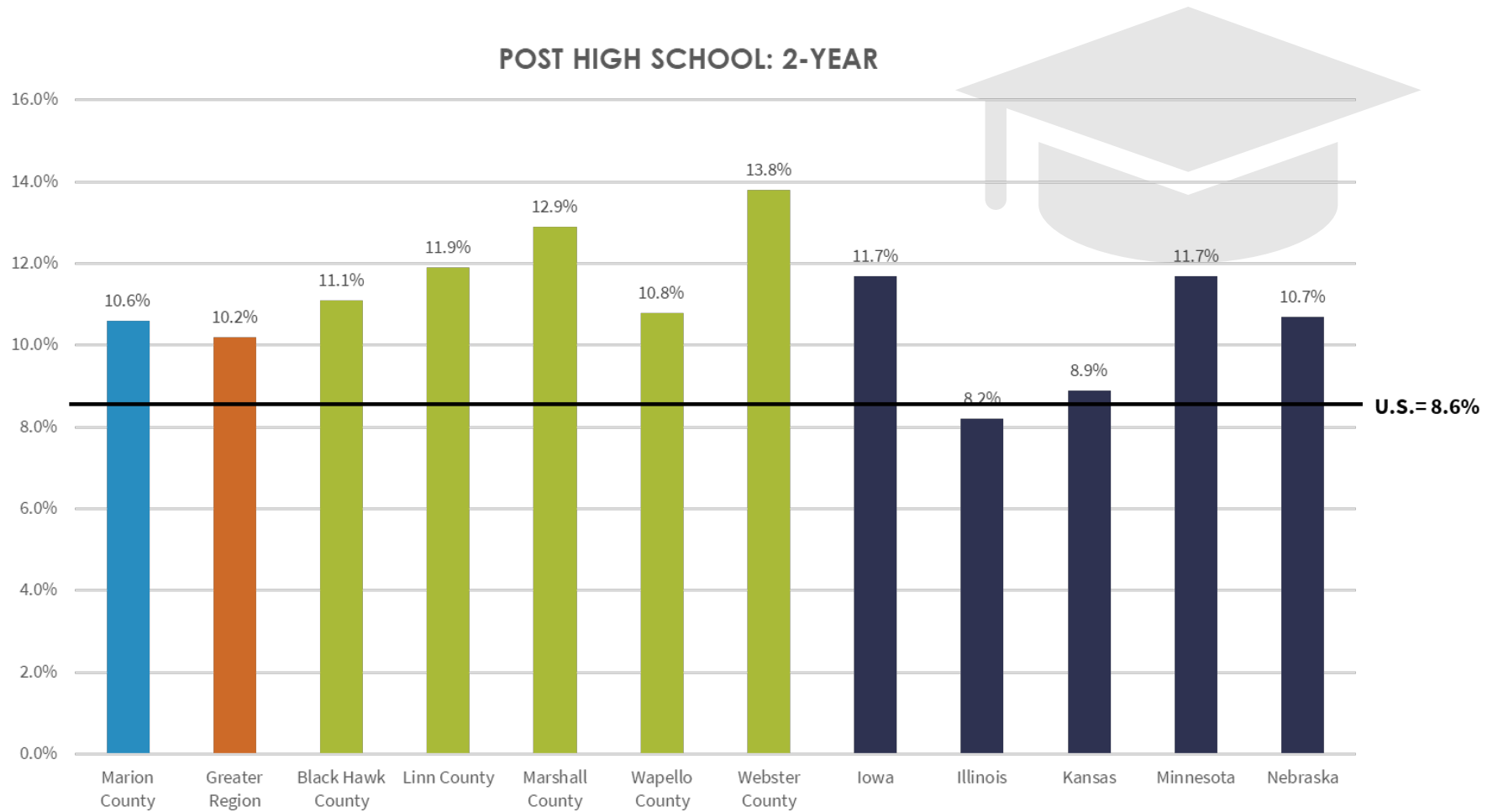
EDUCATIONAL ATTAINMENT: HIGH SCHOOL



Source: Emsi, 2021

Report Highlights

LOCATION CRITERIA

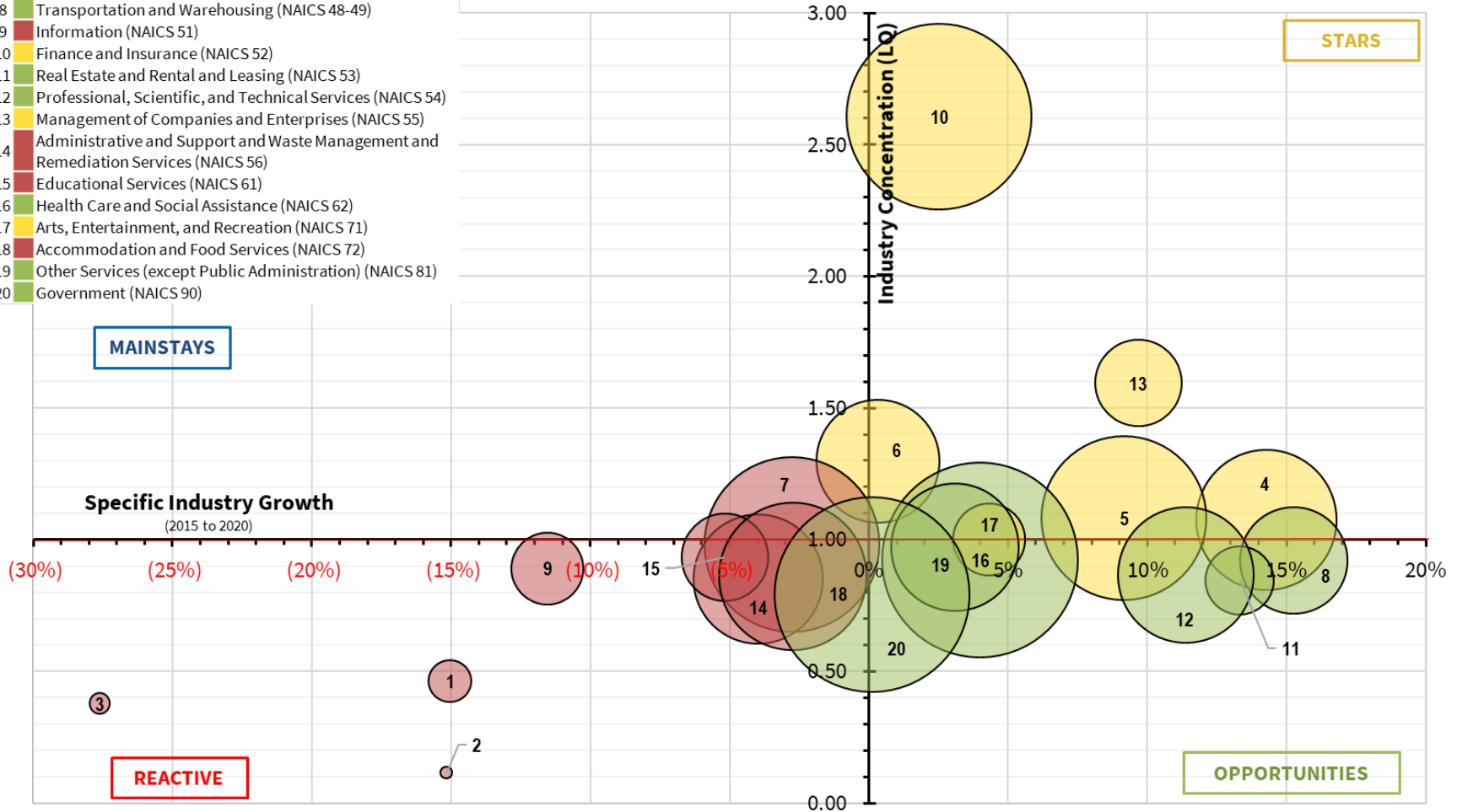


Source: Emsi, 2021

Economic Base Analysis

- 1 Agriculture, Forestry, Fishing and Hunting (NAICS 11)
- 2 Mining, Quarrying, and Oil and Gas Extraction (NAICS 21)
- 3 Utilities (NAICS 22)
- 4 Construction (NAICS 23)
- 5 Manufacturing (NAICS 31-33)
- 6 Wholesale Trade (NAICS 42)
- 7 Retail Trade (NAICS 44-45)
- 8 Transportation and Warehousing (NAICS 48-49)
- 9 Information (NAICS 51)
- 10 Finance and Insurance (NAICS 52)
- 11 Real Estate and Rental and Leasing (NAICS 53)
- 12 Professional, Scientific, and Technical Services (NAICS 54)
- 13 Management of Companies and Enterprises (NAICS 55)
- 14 Administrative and Support and Waste Management and Remediation Services (NAICS 56)
- 15 Educational Services (NAICS 61)
- 16 Health Care and Social Assistance (NAICS 62)
- 17 Arts, Entertainment, and Recreation (NAICS 71)
- 18 Accommodation and Food Services (NAICS 72)
- 19 Other Services (except Public Administration) (NAICS 81)
- 20 Government (NAICS 90)

GREATER REGION INDUSTRY ANALYSIS



Circle Size = Number of employees in Greater Region
Source: EMSI Q1 2021

Total Employees in Greater Region: 373,936

○ = 5,000 employees

Specific Occupation Growth (2015 to 2020)

Occupation Concentration (LQ)

MAINSTAYS

STARS

REACTIVE

OPPORTUNITIES

Circle Size = Number of employees in Greater Region

Total Employees in Greater Region: 373,936

Source: Emsi Q1 2021

Legend:

- 1 Management Occupations (SOC 11)
- 2 Business and Financial Operations Occupations (SOC 13)
- 3 Computer and Mathematical Occupations (SOC 15)
- 4 Architecture and Engineering Occupations (SOC 17)
- 5 Life, Physical, and Social Science Occupations (SOC 19)
- 6 Community and Social Service Occupations (SOC 21)
- 7 Legal Occupations (SOC 23)
- 8 Education, Training, and Library Occupations (SOC 25)
- 9 Arts, Design, Entertainment, Sports, and Media Occupations (SOC 27)
- 10 Healthcare Practitioners and Technical Occupations (SOC 29)
- 11 Healthcare Support Occupations (SOC 31)
- 12 Protective Service Occupations (SOC 33)
- 13 Food Preparation and Serving Related Occupations (SOC 35)
- 14 Building and Grounds Cleaning and Maintenance Occupations (SOC 37)
- 15 Personal Care and Service Occupations (SOC 39)
- 16 Sales and Related Occupations (SOC 41)
- 17 Office and Administrative Support Occupations (SOC 43)
- 18 Farming, Fishing, and Forestry Occupations (SOC 45)
- 19 Construction and Extraction Occupations (SOC 47)
- 20 Installation, Maintenance, and Repair Occupations (SOC 49)
- 21 Production Occupations (SOC 51)
- 22 Transportation and Material Moving Occupations (SOC 53)
- 23 Military-only Occupations (NAICS 55)

Quality of Life

NOTABLE ASSETS

Tulip Time Festival



A to Z Foodie Trail



Knoxville Raceway



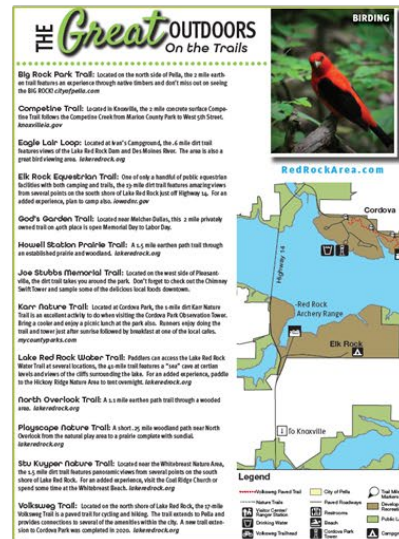
Lake Red Rock



Grand Theater



Outdoor Trails Systems



Molengracht Canal (Pella Canal)

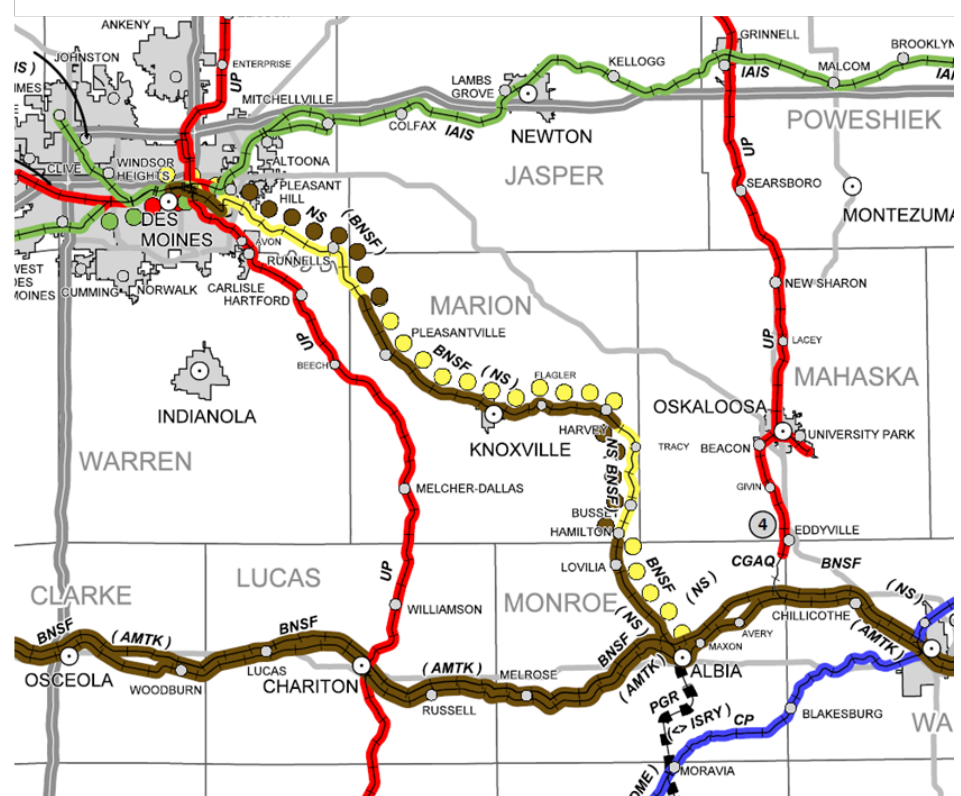


Pella Opera House



Infrastructure

TRANSPORTATION INFRASTRUCTURE



Report Highlights

STAKEHOLDER ENGAGEMENT

WHAT DO YOU SEE AS MARION COUNTY'S GREATEST ECONOMIC ASSETS?

Respondents highlighted the strong manufacturing presence and employers in the county, coupled with the strong workforce that accompanies those businesses and others in the county. Additionally, tourism around Lake Red Rock, and the school systems were also selected as strengths.



Note: The size of the words in the word cloud represents the frequency of that response. Hyphens between words are used to keep phrases together when generating the word cloud.

Report Highlights

STAKEHOLDER ENGAGEMENT

HOW HAVE YOU SEEN THE REGION EVOLVE IN THE PAST FIVE TO TEN YEARS?

Stakeholders noted the growth in housing, restaurants, jobs, and businesses both large and small. The closure of the VA Campus was a change that multiple stakeholders noted for both positive potential and negative drawbacks as well. Stakeholders also said that collaboration and investment has increased in the communities and county.



Note: The size of the words in the word cloud represents the frequency of that response. Hyphens between words are used to keep phrases together when generating the word cloud.

Report Highlights

STAKEHOLDER ENGAGEMENT

THINKING ABOUT MARION COUNTY REGION PRE-COVID, WHAT DO YOU SEE AS THE SINGLE GREATEST CHALLENGE INHIBITING ECONOMIC GROWTH IN THE REGION?

The most common challenges listed by stakeholders were constraints on the housing, workforce and a of primary employers to keep talent in the region. Other challenges noted were availability of business sites, tourism and amenity diversity, and the number of workers who commute from outside the county to work in Marion County instead of living within the County.



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Report Highlights

STAKEHOLDER ENGAGEMENT

POST-COVID, WHAT DO YOU SEE AS THE GREATEST CHALLENGE INHIBITING ECONOMIC GROWTH IN MARION COUNTY?

Many of the greatest challenges post-COVID are the same challenge pre-COVID for stakeholders: the workforce and housing are still a challenge, as well as infrastructure and funding other county improvements.



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Report Highlights

STAKEHOLDER ENGAGEMENT

WHAT OPPORTUNITIES DO YOU SEE FOR MARION COUNTY MOVING FORWARD?

Stakeholders identified creating affordable and diverse housing options as a key opportunity for the county. Additional opportunities included attracting talent and growing the population, industries to compliment preexisting industries, remote work style businesses and employees, manufacturing, childcare, and county-wide collaboration.



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Report Highlights

STAKEHOLDER ENGAGEMENT

WHAT INDUSTRIES OR CLUSTERS DO YOU THINK MARION COUNTY IS OR COULD BE COMPETITIVE IN?

Stakeholders singles out existing industries like manufacturing, agriculture, and tourism, and also pointed out technology industries such as information technology, remote-work, and professional services.



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Report Highlights

STAKEHOLDER ENGAGEMENT

WHAT IS ONE PROGRAM, PRIORITY, OR IMPROVEMENT THAT MARION COUNTY CURRENTLY DOES NOT HAVE THAT YOU THINK IT SHOULD?

Stakeholders pointed out a focus on amenities, broadband improvements, small business startup assistance, and many other ideas in promoting tourism, assisting workforce development, and entrepreneurship.



Note: The size of the words in the word cloud represents the frequency of that response. Hyphens between words are used to keep phrases together when generating the word cloud.

Report Highlights

TARGET INDUSTRIES

Industry	Core Region Chart Quadrant	Greater Region Chart Quadrant	Include in further analysis? Comments
Agriculture, Forestry, Fishing and Hunting (NAICS 11)	Mainstay	Reactive	Yes. While this industry has seen negative growth within the Greater Region in recent years, the agriculture industry has a strong concentration in the State of Iowa and is an important economic driver for the broader ecosystem. The agriculture industry supports opportunities in related industries like food and beverage manufacturing.
Mining, Quarrying, and Oil and Gas Extraction (NAICS 21)	Opportunity	Reactive	No. Although this industry has experienced growth in the core region, it is an extremely small lacking sufficient presence in the county to provide more accurate data. This industry also tends to be highly volatile.
Utilities (NAICS 22)	Reactive	Reactive	No. This is not typically an industry to focus on for recruitment.
Construction (NAICS 23)	Reactive	Star	No. This industry tends to lag/follow the economy.
Manufacturing (NAICS 31-33)	Star	Star	Yes. This industry has experienced growth and is one of the largest and most critical industries to the Marion County region economy in terms of total employment. Marion County has an existing skilled workforce to support the manufacturing industry, and this industry is being explored further to identify specific sub-sector clusters that offer opportunity and are most suitable for recruitment and attraction efforts.
Wholesale Trade (NAICS 42)	Reactive	Star	No. This industry tends to lag/follow the economy. While not a target industry, this industry should be supported as it relates to distribution opportunities for other industry clusters.
Retail Trade (NAICS 44-45)	Opportunity	Reactive	No. This industry is not a focus of this research. These subsectors tend to follow the economy and are consumer-driven.
Transportation and Warehousing (NAICS 48-49)	Reactive	Opportunity	Yes. This industry has experienced significant growth in both the Greater Region and nationally and is projected to continue to grow in both. There are also significant distribution opportunities that can be tied into other target industries.
Information (NAICS 51)	Reactive	Reactive	Yes. While the information industry has experienced negative growth in the Greater Region in recent years, it is being included to explore potential opportunities in technology that may exist in specific sub-sector, as well as the potential for data centers.
Finance and Insurance (NAICS 52)	Opportunity	Star	No. This industry is largely limited to commercial banks and insurance agencies in the core region, which tend to follow the economy. At a greater region level, the data primarily reflects the presence of this industry out of the Des Moines metro area.
Real Estate and Rental and Leasing (NAICS 53)	Opportunity	Opportunity	No. This industry tends to follow the economy and are consumer-driven.
Professional, Scientific, and Technical Services (NAICS 54)	Opportunity	Opportunity	Yes. This industry has seen growth in the Greater Region and offers opportunities for economic diversification in the region. In addition to the Central College asset in the region, the proximity to the Des Moines metro area may provide potential access to a talent pipeline.
Management of Companies and Enterprises (NAICS 55)	Opportunity	Star	Yes. While small, this industry has seen growth in the core region and can commonly be bundled with the professional services industry to create a broader industry cluster to analyze for growth opportunities.
Administrative and Support and Waste Management and Remediation Services (NAICS 56)	Reactive	Reactive	No. This industry tends to lag/follow the economy, and is typically not a focus for recruitment.
Educational Services (NAICS 61)	Mainstay	Reactive	No. This is not an industry to recruit, but rather, support.
Health Care and Social Assistance (NAICS 62)	Reactive	Opportunity	No. This industry is not a focus of this research. These subsectors tend to follow the economy and are consumer-driven.
Arts, Entertainment, and Recreation (NAICS 71)	Reactive	Star	No. This industry is not a focus of this research. These subsectors tend to follow the economy and are consumer-driven.
Accommodation and Food Services (NAICS 72)	Reactive	Reactive	No. This industry is not a focus of this research. These subsectors tend to follow the economy and are consumer-driven.
Other Services (except Public Administration) (NAICS 81)	Reactive	Opportunity	No. This is not typically an industry to focus on for recruitment.
Government (NAICS 90)	Reactive	Opportunity	No. This is not an industry to recruit, but rather, support.

Report Highlights

TARGET INDUSTRIES



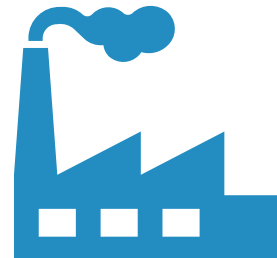
**Food and Beverage
Processing**



**Materials
Processing**



**Scientific and
Technical Services**



**Equipment
Manufacturing and
Supply Chain**

Report Highlights

TARGET INDUSTRIES

Target Industry	Subsectors of Focus	Comments
Food and Beverage Processing	<ul style="list-style-type: none"> Confectionery Manufacturing from Purchased Chocolate (NAICS 311352) Commercial Bakeries (NAICS 311812) Mayonnaise, Dressing, and Other Prepared Sauce Manufacturing (NAICS 311941) Spice and Extract Manufacturing (NAICS 311942) Breweries (NAICS 312120) Fruit and Vegetable Canning (NAICS 311421) Fluid Milk Manufacturing (NAICS 311511) 	The region has a strong existing food and beverage processing industry, and these industries show significant past and projected growth. Furthermore, while the agriculture industry has a smaller presence within the core Marion County region, it has a strong concentration in the State of Iowa. This ecosystem presents value-added opportunities for the broader region. Focus should be on building out the full value-chain of the cluster within the region, and there are opportunities to attract and grow agricultural production activities in the greater region.
Materials Processing	<ul style="list-style-type: none"> Plastics Material and Resin Manufacturing (NAICS 325211) Synthetic Rubber Manufacturing (NAICS 325212) Medicinal and Botanical Manufacturing (NAICS 325411) Unlaminated Plastics Film and Sheet (except Packaging) Manufacturing (NAICS 326113) Rubber Product Manufacturing for Mechanical Use (NAICS 326291) Pottery, Ceramics, and Plumbing Fixture Manufacturing (NAICS 327110) All Other Plastics Product Manufacturing (NAICS 326199) Glass Product Manufacturing Made of Purchased Glass (NAICS 327215) Concrete Pipe Manufacturing (NAICS 327332) Other Concrete Product Manufacturing (NAICS 327390) 	These chemical, plastic, and nonmetallic processing industries have generally shown strong growth in the greater region, and collectively form a cluster around materials processing. They further help to diversify the broader cluster of manufacturing that exists in the region, an important goal expressed by stakeholders in the region.
Scientific and Technical Services	<ul style="list-style-type: none"> Engineering Services (NAICS 541330) Testing Laboratories (NAICS 541380) Computer Facilities Management Services (NAICS 541513) Other Scientific and Technical Consulting Services (NAICS 541690) Research and Development in Biotechnology (except Nanobiotechnology) (NAICS 541714) Software Publishers (NAICS 511210) Internet Publishing and Broadcasting and Web Search Portals (NAICS 519130) Environmental Consulting Services (NAICS 541620) Research and Development in the Social Sciences and Humanities (NAICS 541720) All Other Professional, Scientific, and Technical Services (NAICS 541990) Veterinary Services (NAICS 541940) 	Marion County has shown growth in many of the professional services subsectors, and Central College and the universities out of the greater Des Moines metro area provide a robust talent pipeline for companies in these industries to draw labor from. While many companies in this industry may locate directly in Des Moines for the immediate availability of talent, the wage cost structure provides Marion County a business case to compete for these industries. Focus should be on recruiting these types of functions as they relate to other target industries, particularly scientific and technical service, as well as R&D. Collectively, this cluster serves the goal of diversifying the region's economy.
Equipment Manufacturing and Supply Chain	<ul style="list-style-type: none"> Industrial Valve Manufacturing (NAICS 332911) Fluid Power Valve and Hose Fitting Manufacturing (NAICS 332912) Food Product Machinery Manufacturing (NAICS 333241) Other Commercial and Service Industry Machinery Manufacturing (NAICS 333318) Air-Conditioning and Warm Air Heating Equipment and Commercial and Industrial Refrigeration Equipment Manufacturing (NAICS 333415) Machine Tool Manufacturing (NAICS 333517) Speed Changer, Industrial High-Speed Drive, and Gear Manufacturing (NAICS 333612) Other Electronic Component Manufacturing (NAICS 334419) Instruments and Related Products Manufacturing for Measuring, Displaying, and Controlling Industrial Process Variables (NAICS 334513) Motor Vehicle Electrical and Electronic Equipment Manufacturing (NAICS 336320) Aircraft Engine and Engine Parts Manufacturing (NAICS 336412) Sheet Metal Work Manufacturing (NAICS 332322) Machine Shops (NAICS 332710) Motor Vehicle Body Manufacturing (NAICS 336211) Truck Trailer Manufacturing (NAICS 336212) Travel Trailer and Camper Manufacturing (NAICS 336214) 	These manufacturing industries have shown strong growth in the region, and they benefit from the skilled manufacturing workforce and talent pipeline in the region. Collectively, this assortment of sub-sectors forms an equipment manufacturing and supply chain cluster in the region. Included in this cluster are primary and fabricated metal manufacturing and machinery manufacturing sectors, which help create the foundation of the equipment manufacturing sector. Also included are computer and electronic component manufacturing sectors, which support the overall supply chain of the broader cluster. There may be opportunities to cultivate higher skilled manufacturing and precision processes, particularly as they support the increasing technology and automation within the broader manufacturing industry.

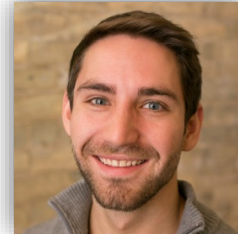
Q&A



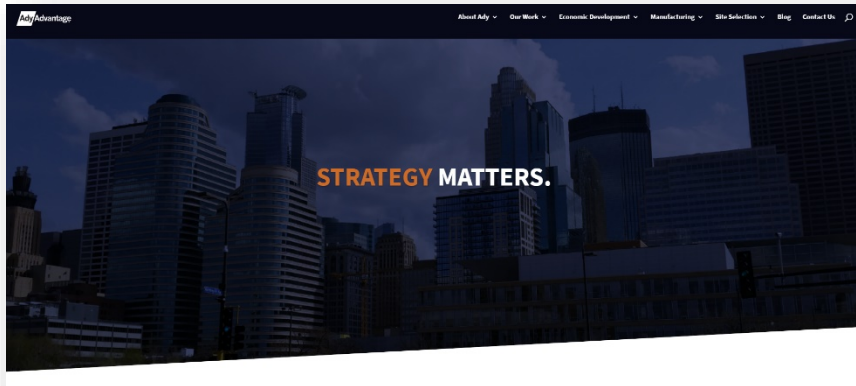
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THANK YOU!

