

MAINE STATE LEGISLATURE

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*Maine Department of Economic
and Community Development*

**REPORT
TO THE 120TH LEGISLATURE ON
THE BUSINESS ATTRACTION MARKETING PROGRAM
(f/k/a THE BUSINESS DEVELOPMENT MARKETING PARTNERSHIP
PROGRAM)
APRIL 27, 2001**

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I. BACKGROUND

The 119th Legislature appropriated \$1,500,000 to the Department of Economic and Community Development (DECD) to undertake out-of-state business attraction marketing efforts. The Legislature required DECD to disburse the funds to economic development agencies in accordance with a competitive, quality-based selection procedure established and administered by the Department. Funds were distributed to economic development agencies on state, regional and local levels as follows:

\$315,00 was dedicated to an out-of-state business attraction marketing program for the entire state. The Department put out a request for proposals (RFP) for a statewide entity to implement the program. Like the year before, Maine & Company was the sole, successful bidder.

\$387,500 was designated as a matching grants program for Maine's six economic development districts (edds), all of which were awarded funds. DECD required each agency to dovetail with Maine & Company's statewide program.

\$415,000 was designated as a matching grants program for Maine's local and sub-regional development agencies. In addition to dovetailing with Maine & Company's statewide marketing plan, these entities were required to work with the regional economic development districts in developing their out-of-state business attraction plan.

Funds were also designated for a foreign direct investment program, a comprehensive labor force analysis and marketing collateral updating and development.

II. PURPOSE

The major objective of DECD's current business development marketing effort is a communication program aimed at changing and improving the perception of influential business executives by communicating the inherent strengths and changes in Maine's business climate, thereby enhancing the perception that Maine is a viable, globally competitive business location. DECD's Office of Business Development "paves the way" for other agencies' marketing efforts by addressing important business climate issues. Marketing efforts are focused on such issues as labor force, changes in the cost of doing business, the quality of life and proven business successes.

Competition in the economic development arena is extremely fierce, and so it becomes more and more important for Maine to move onto the "radar screen" – and stay there – to be considered as a viable economic development location. The Business Attraction Program (BAMP), initially known as the Business Development Marketing Partnership Program (BDMPP), began with a \$1,028,000 appropriation by the 118th Legislature that helped put Maine on the radar screen. The following year the 119th Legislature appropriated \$1,500,000 for FY00 which enabled the continuation of DECD's nascent out-of-state business attraction efforts.

The primary objectives of the Business Attraction Marketing Program have been and are to:

- ◆ Raise the awareness of Maine as a viable and competitive option for business relocation and expansion;
- ◆ Attract new business investment to Maine; and,
- ◆ Measure the impact of the program.

III. ELIGIBILITY

To be eligible for funding under the Business Attraction Program, entities seeking funds were required to:

- ◆ Possess and demonstrate experience in business attraction and expansion marketing efforts targeted out-of-state;
- ◆ Demonstrate a clear understanding of Maine's changing economy and the role of particular industry sectors;
- ◆ Understand Maine's economic, geographic social and business characteristics; and,
- ◆ Demonstrate the ability to work as a team in a collaborative effort involving state, regional and local economic development agencies.

The Business Attraction Program was leveraged by requiring all funds to be matched on a one-to-one basis, in the form of cash, staff time and/or overhead directly attributable to the out-of-state business attraction efforts. A minimum cash match of 30% was required. Bidding entities were required to demonstrate that matching funds were on hand or, in the case of anticipated funds, a letter of commitment was required.

Most of the organizations provided well in excess of the 1:1 match requirement, with an overall match average of 1:1.28, yielding a business attraction marketing program for FY00 of approximately \$2.5 million.

IV. CRITERIA

Requests for proposals were let in three phases for statewide, regional and local services. Proposals were reviewed and rated by a specially assigned proposal review committee. Three major categories were used to evaluate each proposal's merits: (1) marketing and promotion; (2) performance measures; and, (3) expanded impact.

- ◆ Marketing and Promotion. Applicants were required to submit a quality marketing plan that demonstrated, among other things, links to the State's marketing plan, the applicant's capacity to implement a marketing plan, and proactive outreach marketing activities. Also considered were the defined markets and mediums for accessing the markets, as well as qualifying markets why a market was being sought and its potential impact.
- ◆ Performance Measures. Applicants were required to identify performance measures, anticipated return on investment and the effectiveness of the tracking mechanisms.

- ◆ Expanded Impact. Proposals were reviewed for their geographical impact and amount of funds leveraged. Applicants were encouraged to identify matching funds that exceeded the minimum one-to-one requirement.

Applicants were also required to demonstrate they had a need for the marketing funds and the capacity to effectively implement a marketing plan. Applicants that met the established criteria were awarded a minimum, or base, allocation of \$40,000 for regional organizations and \$15,000 for local organizations. Local organizations representing a collaborative community effort were eligible for a base allocation of \$15,000 per community up to a maximum of \$60,000.

In addition to base allocations, regional and local organizations were entitled to receive additional funds based on an area's economic distress. Distress allocations were awarded on the basis of unemployment rates, per capita income, population shifts and employment growth.

IV. AWARDS

Requests for proposals were let for statewide, regional and local solicitation. The BAMP Review Committee reviewed all proposals and reported its recommendations within fourteen days. Awards were made as follows:

BUSINESS ATTRACTION MARKETING PROGRAM FY2000 Allocations

	Total State Allocation	Matching Funds	Total Program
<u>State</u>			
Maine & Company	\$315,000	\$315,000	\$630,000
<u>Regional</u>			
Androscoggin Valley Council of Governments	\$ 81,500	\$ 87,500	\$169,000
Eastern Maine Development Corporation	\$ 91,000	\$110,400	\$201,400
Kennebec Valley Council of Governments	\$ 75,000	\$121,000	\$196,000
Mid-Coast Council for Business Development	\$ 20,000	\$ 28,100	\$ 48,100
Northern Maine Development Commission	\$ 75,000	\$105,000	\$180,000
Southern Maine Economic Development District	\$ 45,000	\$ 50,000	\$ 95,000
Total Regional	\$387,500	\$502,000	\$889,500
<u>Local</u>			
Bangor Region Development Alliance	\$ 50,000	\$135,191	\$185,191
Biddeford –Saco Area Economic Development Corp.	\$ 10,000	\$ 11,500	\$ 21,500
Cities of Portland/So. Portland	\$ 20,000	\$ 41,600	\$ 61,600
Growth Council of Oxford Hills	\$ 60,000	\$112,480	\$172,480
Katahdin Regional Development Corp.	\$ 20,000	\$ 20,000	\$ 40,000
Kennebec Regional Development Authority	\$ 40,000	\$ 40,000	\$ 80,000
Lakes Region Development Council	\$ 20,000	\$ 31,136	\$ 51,136
Lewiston Auburn Growth Council	\$ 20,000	\$ 32,714	\$ 52,714
Piscataquis County Economic Development Council	\$ 35,000	\$ 35,000	\$ 70,000
Presque Isle Chamber of Commerce (Central Aroostook)	\$ 30,000	\$ 30,000	\$ 60,000

Sanford /Springvale Chamber of Commerce	\$ 15,000	\$ 15,000	\$ 30,000
So. Aroostook Development Corporation	\$ 35,000	\$ 50,781	\$ 85,781
St. Croix Economic Alliance	\$ 15,000	\$ 15,000	\$ 30,000
St. John Valley Business Attraction	\$ 30,000	\$ 30,000	\$ 60,000
Upper Valley Economic Council	\$ 15,000	\$ 15,000	\$ 30,000
Total Local	\$415,000	\$615,402	\$1,030,402

IMPACT OF THE TOTAL PROGRAM

Leveraging program funds with a one-to-one matching requirement yielded an out-of-state business attraction marketing program worth approximately \$2.5 million.

	State Allocation	Match	Total
Statewide Effort	\$ 315,000	\$ 315,000	\$ 630,000
Regional Effort	\$ 387,500	\$ 502,000	\$ 889,500
Local Effort	\$ 415,000	\$ 615,402	\$1,030,402
Total	\$1,117,500	\$1,432,402	\$2,549,902

V. STATUS

Most organizations fully implemented their marketing plan and achieved results. Some organizations requested additional time to complete their plans, while others have not and will not fully utilize grant monies. With the exception of the St. Croix Economic Alliance, all organizations were required to complete their marketing plans by December 31, 2000. The status of the FY00 Business Attraction Marketing Program, as of March 31, 2001, is as follows:

BUSINESS ATTRACTION MARKETING PROGRAM FY00 STATUS

Organization	Beginning Balance	Remaining Balance
State		
Maine & Company	\$315,000	0
Regional		
Androscoggin Valley Council of Governments	\$ 81,500	0
Eastern Maine Development Corporation	\$ 91,000	\$11,791.70
Kennebec Valley Council of Governments	\$ 75,000	\$ 1,933.25
Mid Coast Business Development	\$ 20,000	\$ 4,644.75
Northern Maine Development Commission	\$ 75,000	0
Southern Maine Economic Development District	\$ 45,000	\$11,791.70

Local		
Bangor Region Development Alliance	\$ 50,000	0
Biddeford-Saco Economic Development District	\$ 10,000	0
Cities of Portland & South Portland	\$ 20,000	\$ 2,365.63
Growth Council of Oxford Hills	\$ 60,000	0
Katahdin Regional Development Corporation	\$ 20,000	\$20,000.00
Kennebec Regional Development Authority	\$ 40,000	0
Lakes Region Development Council	\$ 20,000	\$ 3,105.00
Lewiston-Auburn Economic Growth Council	\$ 20,000	0
Piscataquis County Economic Development Council	\$ 35,000	0
Presque Isle Chamber of Commerce	\$ 30,000	\$10,161.74
Sanford-Springvale Chamber of Commerce	\$ 15,000	0
St. Croix Economic Alliance	\$ 15,000	\$ 477.00
St. John Valley Business Attraction Program	\$ 30,000	\$ 738.71
Southern Aroostook Development Corporation	\$ 35,000	0
Upper Valley Economic Council	\$ 15,000	\$ 5,183.54
Totals	\$1,117,500	\$72,193.02

VII. ACCOUNTABILITY

All organizations were required to attend “Team Maine Marketing Committee Meetings” and to submit periodic “activity to date” reports and final reports to the Department of Economic and Community Development.

VIII. PERFORMANCE

In the BAMP’s second year, the DECD encouraged organizations to undertake “preferred activities” that would enable them to meet with important decision-makers face-to-face. By attending and displaying at important trade shows and conferences, conducting marketing trips and bringing qualified prospects into the state, economic developers were able to network and foster important personal relationships with key individuals.

All organizations were required to submit a final report on the expenditure of funds and the results of their marketing efforts. Final reports are herein summarized with each reporting organization’s activities and results first summarized by statewide effort followed by regional and then local.

A. Statewide Effort

Grantee: Maine & Company
Grant Amount: \$315,000
Match Amount: \$315,000
Status: All funds expended

Maine & Company received \$315,000 for out-of-state business attraction marketing that resulted in two exciting successes. Business attraction efforts landed Putnam Investments and resulted in 250 work@home jobs that employ people in all regions of the state. Partnerships with Husson and Thomas colleges created training centers and on-campus

customer service centers that train Putnam employees and employ part-time students in a valuable work study program.

Aetna US Healthcare became another success in the fall of 1999. Aetna selected Maine over the areas of New York City, Boston, Hartford and an existing facility in North Dakota. Placing a 90- person operation center in downtown Portland, Aetna's continued success in the city has resulted in the number of employees growing to approximately 250.

Overall, proactive outreach efforts by Maine & Company resulted in a total of 88 leads.

Trade Shows/Conferences

- ◆ Incoming Call Center Management (ICCM). A Maine & Company representative attended this show in Chicago, Illinois. One significant lead in the financial services industry was uncovered.
- ◆ NACORE, International. Two Maine & Company representatives attended this show in Atlanta, Georgia. The show resulted in 1 solid prospect (call center), three solid consultants interested in Showcase Maine, two additional consultants, four leads and many opportunities to building relationships with existing companies and consultants.
- ◆ IDRC Tennessee. Maine & Company led Maine's effort at IDRC Tennessee which was held in Nashville.
- ◆ Support Services – display. Two Maine & Company representatives displayed a 10 x 20 foot booth at this show in Washington, D.C. This effort resulted in 20 contacts and 6 leads for Maine & Company.
- ◆ Bio 2000 – display. Maine & Company led Maine's effort at Bio 2000 in Boston. The effort resulted in over 100 contacts and five leads.
- ◆ IDRC New York. Maine & Company was the lead organization for the state's hospitality suite at IDRC New York.
- ◆ Expand Your Business in the U.S. Seminar – Montreal, Canada. Joe Wischerath attended this seminar which also provided an opportunity to display some business attraction material. Roughly 30 Canadian companies interested in investing in the US attended the seminar. While nothing substantial resulted from this seminar, some good contacts were made and Maine & Company believes it is worth attending these seminars in the future.

Prospect Visits

Prospect visits were made to:

- ◆ Mutual fund company (New York City)
- ◆ Inbound call center
- ◆ Financial services company
- ◆ Data storage and management firm
- ◆ Frozen drink blender manufacturer
- ◆ Mutual fund company (Boston)
- ◆ Injection molding company
- ◆ Telephone switches and software manufacturer

- ◆ Customer service call center
- ◆ Incubator manufacturer
- ◆ Massachusetts biotechnology firm
- ◆ Wood products client
- ◆ Manufacturer of infant products

Marketing Trips

Two marketing trips were undertaken, one in the Northeast in Pennsylvania, New York, New Jersey and Connecticut, and the other in Silicon Valley. Joe Wischerath of Maine & Company and Steve Levesque visited with 12 high-tech Silicon Valley companies one-on-one and another handful at a reception at San Jose State University that was attended by Governor King.

Showcase Maine. . . On Your Time

Three consultants visited Maine in December 1999 on this program. They were Van Power, principal, Arledge-Power; Susan Arledge, principal, Arledge-Power; and Mark Seiley, vice president, Carter-Burgess.

Four consultants visited Maine in February and March. They were Susan Falcetta, director of site selection and research for Engel Picasso Associates in Albuquerque, New Mexico; Timathie Zavala, research analyst for Mohr Partner in Dallas, Texas; Henry Chapman, senior director at Cushman & Wakefield in Washington,, D.C.; and Robert Leslie, consultant for Deloitte Touche Fantus in New York, NY.

As a direct result of Susan Falcetta's trip to Maine, Marci McDonald, a senior writer for U.S. News and World Report contacted Maine & Company interested in their promotional activity. McDonald subsequently visited Maine & Company's booth at the Support Services Show in Washington, D.C. and wrote a favorable article that was published.

Three consultants visited Maine in July. They were Elizabeth Morris, CEO and chief economist for Insight Research Corporation in Dallas, TX; and Peter Brooks, principal and Mark Costelle, director, corporate real estate services for Ernst & Young in New York, NY.

Direct Marketing

"New Directions," a quarterly newsletter aimed at site selection consultants, corporate real estate executives, prospects, and leads were produced in FY00. The intent of the newsletter is to consistently stay in front of Maine & Company's targeted audiences by keeping them abreast of business attraction news and opportunities in Maine. Maine's economic and development community was informed about each newsletter and asked to submit articles. A page was added to feature available property around the state.

Promotional Materials

An industry specific brochure for the financial services industry was completed.

B. Regional Effort

Grantee: Androscoggin Valley Council of Governments
Grant Amount: \$81,500
Match Amount: \$87,500
Status: All funds expended

Trade Shows/Conferences

AVCOG attended six trade shows and conferences including Tech Wood 99, IDRC – Nashville, CRM Support Services Conference & Expo, MD & M West, NACORE and OEM Boston. Altogether, trade shows and conference attendance resulted in 11 contacts and 17 leads.

Familiarization Trips

AVCOG assisted with two familiarization trips by coordinating with Maine & Company to host trips for Bob Leslie of Deloitte & Touche and Henry Chapman of Cushman and Wakefield.

Special Events

"Are two days a week enough?" was the question posed to Sugarloaf's nonresident property owners and season pass holders who own or operate a business in another state but who could operate successfully in Western Maine. For the second year, Sugarloaf Mountain Corporation and the Greater Franklin Development Corporation in partnership with AVCOG hosted a reception for the aforementioned in April 2000 at the Grand Summit Hotel.

This pragmatic approach of inviting people who already recreate in Maine to live, work and play here year round resulted in attendance by 24 out-of-state guests and as many local hosts who were on hand to espouse the benefits of the area. This special event resulted in six hot leads.

Other special events slated to take place include a targeted business attraction event for Bates College Alumni. Plans are to piggyback on an existing Bates College function, targeting alumni and the students' parents for the special event. As of AVCOG's reporting date, plans were also in progress to host two winter events at Sugarloaf and Sunday River utilizing the state's *"Maine. Worth A Visit. Worth a Lifetime."* theme.

Direct Marketing

AVCOG purchased an extensive direct mail list of U.S. technology companies to target electronic subassembly and component companies with a direct mail piece.

Grantee: Eastern Maine Development Corporation (EMDC)
Grant Amount: \$91,000
Match Amount: \$110,400
Status: \$79,208.30 expended; \$11,791.70 unexpended

Trade Shows/Conferences

EMDC participated in six major national trade shows and one major international show in Hannover, Germany. EMDC attended America's largest manufacturing trade show in Chicago, Illinois that resulted in scores of contacts and six long term leads. EMDC displayed at Bio 2000 in cooperation with Maine & Company, generating four serious leads, one of which remains active. Also attended were the NACORE (National Association of Corporate Real Estate Executives) and IDRC (International Development Research Council) trade shows that are premier venues for meeting and getting reacquainted with corporate real estate executives and site location consultants. These important shows and conferences resulted in many leads and the scheduling of two "fam" tours to Maine.

Familiarization ("fam") Tours

EMDC hosted site location consultant Jim Lothian of Deloitte & Touche for a fam tour of Eastern Maine that included touring Acadia National Park, yachting on Somes Sound, sailing Frenchman's Bay and company visits to Jackson laboratory and Hinckley Yachts. Mr. Lothian was briefed on topics such as workforce issues, business assistance programs, higher education, telecommunications infrastructure and the regional economy.

EMDC used the FY00 program to develop contacts and commitments for fam tours to be held in FY01. One of the top commitments for a FY01 fam tour is a gentleman with over 15 years experience providing site location and incentive services to Fortune 1000 and leading international companies, serving as senior engagement manager for all phases of real estate, location analysis, and business assistance program initiatives. Due to his number of clients in the agriculture and food processing areas, the tour will focus on Washington County and coastal Maine, and the itinerary will be closely coordinated with the Food Sciences Department at UM as well as the State Departments of Agriculture and Marine Resources.

Consultant Nancy Busnach, secretary for the IDRC New England Chapter, will also visit Eastern Maine and has agreed to refer other site location consultants to EMDC.

Prospect Visits/Outreach

EMDC went out-of-state to meet and follow-up with prospects, as well as hosted several prospects to the EMDC region.

- ♦ A multinational aquaculture company involving an \$8 million joint Dutch, Icelandic, and Nova Scotian halibut "grow-out" facility has visited Maine twice within the past year and identified an "ideal" site in Washington County.
- ♦ EMDC's outreach efforts with Prexar of St. John, New Brunswick resulted in the selection of Bangor, Maine as the U.S. headquarters for the subsidiary operation of

Canadian Telecom giant Alliance. The company, which provides Internet broadband services and products, will invest \$4 million in Bangor and create 80 jobs.

- ◆ EMDC's visit to a plating company with the City of Brewer remains an active project. The company is a supplier to the Lemforder Corporation and the Brewer Automotive Components.
- ◆ EMDC worked with a Washington, D.C. based consulting firm under contract with the U.S. Navy to establish a Navy civilian employee benefits call center at the former Naval Telecommunications Station in Cutler. The call center is a result of Senator Snow's efforts to secure a \$3 million appropriation to establish the facility, with the potential to start with 15 employees and grow to 200. EMDC assisted with labor availability, business assistance program information and telecommunications issues.
- ◆ EMDC met with a Chinese manufacturer seeking to acquire large quantities of waste crab shells for drying and processing into Chitin and Chitosan, derivatives used in a variety of health and pharmaceutical products.
- ◆ EMDC hosted an inbound call centers for a two day visit to the Ellsworth area. To date, from a universe of 250 communities, Ellsworth remains on the prospect's short list of four potential sites.
- ◆ EMDC hosted and participated in several meetings with Bain, Willard Company of Boston that owns Hinckley Company. These meetings resulted in the expansion of Hinckley's Trenton manufacturing facility – a \$4.5 million investment resulting in 100 additional jobs. Maine competed for this investment with other Bain, Willard owned facilities in Florida and Rhode Island.

Promotional Material.

EMDC retained professional services to design a new business attraction brochure for Eastern Maine. The new brochure promotes Eastern Maine as an investment site and is used at trade shows, in direct mailings and as a collateral piece for prospects. The theme, "Eastern Maine. . . Take Your Business in a New Direction," is consistent with and reinforces Maine & Company's "Take Your Business in a New Direction" campaign.

Marketing Trips

EMDC laid the foundation for an extended marketing trip to Quebec/Montreal and to the Boston area. The marketing trip to Quebec was done in cooperation with the Maine International Trade Center and the Foreign Commercial Service office in Quebec City. The Boston trip included visits to high level executives for Bain, Willard Company of Boston and Fidelity Corporate Real Estate, as well as site location consultants.

Grantee:	Kennebec Valley Council of Governments (KVCOG)
Grant Amount:	\$75,000
Match Amount:	\$121,000
Status:	\$73,066.75 expended; \$1,933.25 unexpended

Trade Shows/Conferences

KVCOG participated in seven trade shows and conferences, including the American Electroplate and Surface Finishers Conference, the Bio 2000 Conference in Boston, IDRC in New York City, Beyond Our Borders Conference, the National Association of

Corporate Real Estate Executives (NACORE), and Medica 2000 in Dusseldorf, Germany. Altogether, participation in these events resulted in three contacts and 41 leads.

Marketing Trips/Prospect Visits

KVCOG has met on two occasions with a venture capitalist from St. John, New Brunswick who is interested in investing in Maine companies that wish to expand. Efforts to maintain this relationship will continue into FY01. KVCOG also introduced the First Park project to a number of economic development professionals in Atlantic City.

A prospective business start-up from Pennsylvania was brought to Central Maine and introduced to the Kennebec River Development Park.

Promotional Materials

KVCOG designed color "sell sheets" for Winslow, Waterville and the Kennebec River Development Park's industrial/business parks. KVCOG also purchased and designed new digital graphic mural for the 10' Nimlock display booth that was purchased in FY99.

Direct Marketing

KVCOG placed advertisements in the New England Real Estate Journal that resulted in ten inquiries from parties interested in receiving more information on business locations in Central Maine. KVCOG also purchased the Tower Manufacturing Directory for New Hampshire, Vermont and Massachusetts that resulted in direct mailings to targeted industries.

Grantee:	Mid Coast Council for Business Development (MCBD)
Grant Amount:	\$20,000
Match Amount:	\$28,100
Status:	\$15,355.25 expended, \$4,644.75 unexpended

Trade Shows/Conferences

MCBD attended Bio 2000 as part of the Maine delegation, and helped staff the Maine and Company booth. Over the course of the convention, MCBD staff spoke with well over 60 contacts. Substantive conversations were held with six strong business prospects, and follow-up via mail and phone continues.

MCBD also attended the NACORE Convention in Las Vegas, Nevada, without the benefit of prior contacts or a display booth presence. However, 78 contacts were made during the course of the conference, with the vast majority being comprised of representatives of various vendors, businesses providing components of building design and construction to end user companies. Valuable contacts were made with firms providing site assistance to the end user, including real estate brokers, site location consultants and project management firms. A key contact was made with Dennis Donovan, President of the Wadley-Donovan Group. Altogether, of the 78 initial contacts, six serious prospects were generated. Follow-up was conducted with all 26 of these contacts.

MCBD participated in Composites 2000, the largest composite tradeshow in North America. The event resulted in 43 composite manufacturing contacts, two of them generated as a result of mentioning Brunswick Technologies and North End Composites. Follow-up has been made with the two sound prospects.

MCBD attended the IDRC World Congress in Orlando, Florida. As a second time participant at an IDRC World Congress Event, there was a significant advantage in networking opportunities, as advance contact was made with approximately 23 contacts met during the Boston IDRC World Congress. The renewed acquaintances were able to be leveraged into expanding network opportunities. For example, a former IDRC vice president with 17 years as a participant in IDRC events, helped open the door to approximately 30 corporate real estate executives, facility managers, and site location consultants.

In excess of 120 contacts were made with the majority consisting of representatives from site and facility service providers and corporate development representatives. Six very strong prospects were generated through IDRC Orlando including a site location consultant with considerable knowledge of Midcoast Maine. Follow-up continues with each of the strong prospects as well as approximately 40 other strong contacts.

Marketing Trips/Prospect Visits

MCBD became more aggressive in business attraction efforts during FY00, and continues to build on the relationships developed at the various different conferences and trade shows.

As a result of participating in NACORE, IDRC and Composites 2000, thirteen of the prospects were identified as being from the Atlanta area. MCBD continued to foster these relationships by sending a representative from the Midcoast to Atlanta to meet with six prospects over the course of three days. The representative met with three project management firms, two site location consultants, an economic development periodical publisher and with IDRC headquarters. Socio-economic data, demographics, and facilities information was presented, and invitations extended to the prospects to participate in a future fam tour.

MCBD also hosted a manufacturer from Oklahoma to explore the possibility of establishing a small manufacturing facility in Richmond. This prospect remains interested and communication continues. MCBD also continues its discussions with a medium-sized precision manufacturer from Connecticut that has expressed an interest in establishing a manufacturing facility in close proximity to BIW:

Grantee:	Northern Maine Development Commission (NMDC)
Grant Amount:	\$75,000
Match Amount:	\$105,000
Status:	All funds expended

Trade Shows/Conferences

NMDC and/or its collaborators attended the following 18 national and international trade shows:

- ◆ International Property Market Show in Cannes, France, which resulted in no solid leads but still recommend attendance next year.
- ◆ Quebec Electronics Technology Show in Montreal. NMDC worked to provide specific site information to five companies that are expanding.
- ◆ Quebec Lumber Manufacturers Association and Intersaw 99 resulted in two solid leads.
- ◆ Canadian Forestry Exhibition in Fredericton, New Brunswick that resulted in three leads.
- ◆ Council of American States Conference and Show in Montreal, attended with Maine & Company, resulting in one lead.
- ◆ Atlantic Industrial Exhibition in Moncton, NB that resulted in 11 leads and two company appointments.
- ◆ Techni-Bois Trade Show in Moncton, NB that resulted in eight leads.
- ◆ Produce Marketing Association Conference and Exposition that resulted in 13 leads.
- ◆ Woodworking Machinery and Supply Expo in Toronto, Ontario was overall unsuccessful due to the distance to New England, but resulted in leads for the Maine Woods Co. and Kelly Lumber.
- ◆ National Potato Seed Seminar in Madison, WI resulted in ten leads for the Maine potato industry.
- ◆ International Property Market Show in Cannes, France was a very good show that enabled NMDC to follow up with 35 companies, 13 of which took information on the Loring Commerce Centre.
- ◆ Displayed at the Snack Food Assoc. (SNAXPO) in Philadelphia, PA in cooperation with the Maine Potato Board. This resulted in 24 leads.
- ◆ Eastec 2000 in West Springfield, MA that attracted companies primarily from New England and resulted in 12 leads.
- ◆ Techni-Bois Show in Quebec City was a good show primarily featuring companies in the wood products industry. It resulted in six leads.
- ◆ Montreal Fabricating and Machine Tool Show had good traffic and resulted in ten leads.
- ◆ Attended the Council of American States in Montreal in cooperation with Maine & Company that resulted in 14 leads, three of which are solid. This event was a strong event with excellent opportunities.
- ◆ Quebec Industrial Woodworking Show generated more than 40 leads, 10 of which are good possibilities for expansions to the region.

Marketing Trips

NMDC, the Maine Winter Sports Center and Maine Public Service Company collaborated with the U.S. Department of Commerce and MITC to establish a trade mission to Sweden in 2001. The goal is to further business ties with the Biathlon Program in Maine as the foundation for the effort.

NMDC planned and made three corporate visits, one being to Lamb Weston in Idaho. NMDC also assisted the coordination of one-on-one corporate visits by three area businesses during the Toronto Trade Mission. NMDC promoted the business to business event known as “Futurallia,” which was attended by two companies from the Northern Maine region. NMDC also worked with several businesses to participate in a Germany Trade Mission but, for a number of practical reasons, they were unable to attend.

NMDC representatives leveraged their travels to and attendance at trade shows and conferences by targeting key businesses and consultants in the regions they visited. A number of goods leads were generated from corporate visits made before and after the Canadian Lumbermen’s Association Conference, the Quebec Pulp and Paper Products Association and Eastec.

Prospect Visits

Showcase 99 – NMDC worked collaboratively to organize and host Showcase, a countywide tour for site selection consultants that resulted in one lead.

Promotional Materials

NMDC purchased a new trade show booth and developed new graphics.

Grantee:	Southern Maine Economic Development District
Grant Amount:	\$45,000
Match Amount:	\$50,000
Status:	\$33,208.30 expended, \$11,791.70 unexpended

Trade Shows/Conferences

SMEDD attended the following trade shows:

The National Manufacturing Show in Chicago, IL in cooperation with a local economic development partner. Twenty-three contacts were made, and two prospects were generated.

SMEDD representatives attended the Bio 2000 Show in Boston, MA and IDRC in New York in support of Maine & Company’s business attraction efforts.

SMEDD, in conjunction with other local economic development organizations displayed at NEPCON in Boston, MA. This show resulted in 55 leads and 12 prospects.

Automated Manufacturing Exposition in Worcester, MA resulted in 24 leads and 7 prospects

Marketing Trips

Two SMEDD representatives made corporate visits in Austin, Texas, and corporate visits are being planned and coordinated in conjunction with attendance at the IDRC conference being held in Seattle, Washington.

Promotional Materials

SMEDD's primary marketing brochure was developed, and preliminary research and design for a web site completed. The web site awaits final completion pending the availability of appropriate graphic images.

C. Local Effort

Grantee:	Bangor Region Development Alliance
Grant Amount:	\$50,000
Match Amount:	\$135,191
Status:	All funds expended

Trade Shows/Conferences

BRDA attended ten major trade shows and conferences, including NACORE, IDRC in Nashville, Orlando and New York, CTI Expo, MD&M – West, Hanover Fair Messe in Germany and Bio 2000.

Prospect Visits

BRDA representatives participated in three client visits outside of the state to meet with business executives interested in Maine as a business location. One visit was made to a manufacturer in Biscle, Germany and another to northern Massachusetts to meet with a manufacturer interested in locating in the Bangor area. A third visit was made to Providence, Rhode Island to meet with a precision manufacturer that was exploring opportunities in Eastern Maine. The Providence client remains an active prospect for the Bangor region.

Familiarization Tours

BRDA members actively participated in the highly successful fam tour spearheaded by the Eastern Maine Development Corporation in August. In addition, BRDA has developed a list of nearly two dozen site selectors with interest in coming to the Bangor area. With this list BRDA will invite participants for fam tours in next year.

Marketing

BRDA's newly designed web site (www.maine.gateway.com) continues to undergo revision and upgrading to keep the site fresh and responsive to viewer interests. The site was designed to promote the region and to serve as a source for additional information and communication with business leads and prospects both before and after meetings and events. BRDA also developed a marketing plan for the internet site which includes mailings to site selection contacts across the country to publicize the availability and usefulness of the site.

Grantee:	Biddeford-Saco Area Economic Development Corp.
Grant Amount:	\$10,000
Match Amount:	\$11,500
Status:	All funds expended

Trade Shows/Conferences

BSAEDC attended two trade shows, NEPCON East in Boston and AMExpo in Worcester, in collaboration with SMEDD and other local economic development agencies.

Promotional Materials

A direct mail piece was developed and six thousand mailed to targeted New England companies and used as fulfillment for inquiries on new industrial parks in Biddeford and Saco.

Direct Marketing

An advertisement was twice run in Mass High Tech which resulted in 12 inquiries, one of which was looking for site location information.

Web Site Development

Web site upgrades are in progress and expected to be complete in the spring.

Grantee:	Cities of Portland and South Portland
Grant Amount:	\$20,000
Match Amount:	\$41,600
Status:	17,634.37 expended; \$2,365.63 unexpended

Trade Shows/Conferences

The cities of Portland and South Portland, together with the Center for Environmental Enterprise and the Resource Hub, displayed at the Microsoft TechNet2000 Annual Symposium in Boston. Inquiries about Maine as a place to live and do business were numerous, although many had the perception that they could not find a job in Maine. Reference to the MESDA survey was made, which indicates there are about 1800 such positions in Maine that need to be filled immediately.

Special Activities

City officials and economic developers led a trade mission to Belfast, Northern Ireland in an effort to build upon an Atlantic Rim Partnership agreement that exists between Portland, Belfast, Halifax, Nova Scotia and Boston. Representatives from Belfast have visited Portland twice in the last three years and very aggressively urged Portland to visit them. Both economies are transitioning from natural resources to more diverse, technology driven environments, and so face many of the same challenges.

The Chief Executive of Investment Belfast met with trade mission delegates which resulted in his visit to Portland in November 2000 to become personally familiar with Portland and its business opportunities.

Additionally, the Belfast Economic Development Department arranged business-to-business contacts with business delegates. The result provided networking that enabled the beginning of business relationships and enhanced business already being done, particularly for commercial properties.

Grantee: Growth Council of Oxford Hills
Grant Amount: \$60,000
Match Amount: \$112,480
Status: All funds expended

Trade Shows/Conferences

The GCOH implemented a highly aggressive trade show and conference agenda that resulted in attending 29 targeted events throughout the U.S.

Marketing Trips

The GCOH went on marketing trips to New Hampshire, New York, Pennsylvania, New Jersey, and held pre-arranged meetings with more than 38 companies at or in the same cities as the trade shows and conferences they attended. Multiple marketing trips were made to Massachusetts.

Promotional Materials

A color brochure was designed for business attraction efforts and to highlight the Oxford Hills Comprehensive High School and Community College.

Direct Marketing

GCOH partnered with The Dunham Group to mail a real estate opportunity flyer and cover letter for vacant space, and designed a real estate opportunity flyer marketing the JJ Newbury building in Norway which was mailed to 250 brokers in the northeast. Market research was also conducted to identify exiled graduates of the area high school and members of area lake associations.

Advertising

A point of sale brochure is displayed at all of the Maine Publicity Bureau visitor centers, and a large graphic mural is displayed at the visitor center in Bethel. Ads targeted at vacationing out-of-state business owners were also run, resulting in 10 inquiries and two leads.

Grantee: Katahdin Regional Development Corp.
Grant Amount: \$20,000
Match Amount: \$20,000
Status: None expended

Extensions granted for the completion of the Grantee's FY99 marketing plan resulted in a delay receiving allocated funds.

Grantee: Kennebec Regional Development Authority
Grant Amount: \$40,000
Match Amount: \$40,000
Status: All funds expended

Trade Shows/Conferences

KRDA interacted with many key corporate real estate professionals at NACORE, which was attended jointly with KVCOG, and IDRC. As a result of these meetings several important professional relationships were initiated and are expected to evolve. Well over 100 pieces of literature were sent out after NACORE in response to requests for more information, and an important initiative was begun with the Verizon "Smart Parks" program which could result in an important marketing relationship with Verizon.

Promotional Materials

A FirstPark logo, letterhead and other "trade dress" were created in conjunction with KVCOG, and a professional trade brochure suitable for literature fulfillment was produced and disseminated at the NACORE conference. A summary data sheet in brochure format was produced and used as the primary information source in the fall 2000 targeted direct mail program.

Direct Marketing

The first phase of a multi-phase program designed to create awareness of the FirstPark project to out-of-state clients was implemented. With awareness development key to lead generation, the campaign is intended to put FirstPark on the radar screen of potential leads. In the period immediately following the campaign's launching, FirstPark's web site experienced a 540% increase in site visits. Successive phases of the plan will be conducted, including follow-up sales calls.

Web Site

FirstPark achieved economies of scale and thematic continuity by developing and enhancing its web site utilizing many of the same design elements in its other marketing collateral. The web site plays a pivotal role as the primary information fulfillment mechanism. Special care has been made to harmonize content to other sites and to ensure steady linkage to those sites.

Grantee:	Lakes Region Development Council
Grant Amount:	\$20,000
Match Amount:	\$31,136
Status:	\$16,895 expended; \$3,105 unexpended

Trade Shows/Conferences

A LRDC representative attended the IDRC conference that was held in New York City in May 2000 and the NACORE conference held in Las Vegas.

Promotional Materials

As a new economic development organization only months old, the LRDC had not produced any marketing materials, including those designed specifically for business attraction. The LRDC, working collaboratively with the Windham Economic Development Corporation, designed and produced over 10,000 twelve- page glossy magazines and 10,000 brochures. Distribution of the material is and will continue to be targeted to out-of-state businesses that compliment the area's established business community.

The LRDC also developed a standard press kit as part of an on-going targeted mail campaign to out-of-state businesses. With these collateral pieces ready to go, the LRDC can now consistently present an image to out of state companies when it announces a major business expansion or other relocation news of importance.

Grantee:	Lewiston Auburn Economic Growth Council
Grant Amount:	\$20,000
Match Amount:	\$32,714
Status:	All funds expended

Trade Shows/Conferences

LAEGC representatives attended four trade shows: MEDTRADE in New Orleans, OEMBoston Exposition, WORLDPHARM in Philadelphia, and GraphExpo in Chicago. Participation in these events resulted in the generation of five leads and eight prospects.

LAEGC also partnered with the Androscoggin Home Care and Hospice to exhibit at MedTrade 2000 in Orlando, Florida, creating a trade show mural specifically targeting the health care audience. A professionally printed direct mail piece was sent to 1,000 attendees based on a targeted direct mail list. One direct mail piece recipient was a guest at Showcase L-A. Follow-up efforts resulted in 12 leads and four prospects.

Marketing Trips/Prospect Visits

A representative from LAEGC met with a paper distributor and a printing supply company in Boston. The paper distributor has temporarily postponed his consideration of New England at this time however, a corporate executive continues to explore the possibility of establishing a pre-press training operation and printing press service operation.

LAEGC also hosted company representatives from biotech company Bionostics, and from a Massachusetts propeller manufacturer.

Special Events

Working with the area's local business "ambassadors," LAEGC hosted a "Showcase L-A." Five out-of-state prospects were identified and invited to attend the Showcase event during fall foliage season in October. Guests stayed for a weekend at the Ware Street Inn, a New England style inn in Lewiston, where they were given baskets filled with Maine made products.

Companies included: a printing supply company from Massachusetts, a plastics manufacturer from New Brunswick; a printer from Kansas, an interior decorator for Washington state and a printer/designer from California.

During their stay, guests toured Diamond Phoenix, Falcon and Geiger, and took drive-by tours of industrial parks and local landmarks. Guests were treated to a New England lobster bake that was attended by local business leaders, city officials and the mayors of Lewiston and Auburn. A balloon ride was scheduled but, due to windy conditions, guests were taken on a small commuter plane ride over Maine. In the evening, guests attended a Community Theater performance of Evita.

Two companies are active prospects, with one potentially opening a small satellite office in L-A and the other potentially interested in establishing a warehouse/office in the not-too-distant future.

Promotional Materials

LAEGC printed an updated version of its "Visitors Relocation and Business Guide" which was distributed to about 8,000 clients and prospects. Three fact sheets were also designed and printed on each of the Centers of Excellence, and mailed to all leads and prospects obtained from trade shows attended. LAEGC also designed and developed a high-quality trade show booth with graphics that highlight manufacturing, printing, graphics and health care.

Grantee:	Piscataquis County Economic Development Council
Grant Amount:	\$35,000
Match Amount:	\$35,000
Status:	All funds expended

Trade Shows/Conferences

PCEDC representatives attended eight trade shows and conferences, among them the: Boston Woodworking Show; Computer Technology Integrated Expo (CTI); National Manufacturing Week; 2000 Wood Technology and Clinic Show; New England Industrial Woodworking Show; American Hotel & Motel Association Conference; IDRC; and, Direct Marketing Days in New York. Altogether, participation in these events generated 32 leads.

Marketing Trips/Prospect Visits

PCEDC worked in cooperation with EMDC to host site locator Jim Lothian, and met with numerous real estate executives at the Telecom Business Conference and Show in New York.

Direct Marketing

Direct marketing efforts included a mass mailing before and after the New England Industrial Woodworking Show and after the Direct Marketing Days Show.

Grantee: Presque Isle Chamber of Commerce (CABAMP)
Grant Amount: \$30,000
Match Amount: \$30,000
Status: \$19,838.26 expended; \$10,161.74 unexpended

Trade Shows/Conferences

CABAMP attended six trade shows and four conferences: Atlantic Industrial Exposition in Moncton, Canada; Techni Bois in Moncton, Canada; Woodwork Machine in Toronto; East Tech in Springfield, MA; Montreal Fabricating and Machine Tool; Secondary Wood Products Machinery in Montreal; IDRC in Nashville and New York; Canadian Lumbermen's Association in Quebec City; and, the Quebec Lumbermen's Association.

Prospect Visits

CABAMP surveyed its sixteen participating communities, soliciting their input and assistance in targeting major employers out-of-state with growth or expansion potential. The list is being narrowed down, with the expectation of making three or four prospect visits in the future.

Promotional Materials

A multi color "Business Assets and Resource Map" of central Aroostook was completed and 5,000 copies printed. The map was done in conjunction with NMDC and features each CABAMP community and their various assets – industrial parks, educational institutions, transportation infrastructure, etc.

Direct Marketing

Twenty-four hundred of the above-mentioned brochures were mailed to targeted industries and site locators in the U.S., particularly to the Canadian Maritime provinces of Quebec, Nova Scotia and New Brunswick.

Grantee: Sanford-Springvale Chamber of Commerce
Grant Amount: \$15,000
Match Amount: \$15,000
Status: All funds expended

Trade Shows/Conferences

SSCC exhibited at the Worcester Trade Show, and attended the Quebec Trade Show and Boston League of Cities Conference, which resulted in three leads.

Marketing Trips

SSCC visited the "Silicon Valley" of Austin, Texas where, with the assistance of the City of Austin Industries Development Manager, identified potential software and dot-com prospects.

Grantee: Southern Aroostook Development Corporation
Grant Amount: \$35,000
Match Amount: \$50,781
Status: All funds expended

Trade Shows/Conferences

SADC participated in several trade shows and conferences, including attendance at the Northeastern Retail Association show in Boston that resulted in 10 prospects and IDRC – New York. SADC exhibited at the Automated Manufacturing Exhibition in Worcester, MA, resulting in 50 prospects and four leads, and at the SIBO Woodworking Show in Quebec.

Marketing Trips

SADC has made trips to ranking CEOs and company officials at four call centers, one manufacturer and one metals company.

Prospect Visits

Three ranking company officials, each from a call center, manufacturing firm and metals company, were hosted by SADC.

Direct Mailings

Mailed approximately 10,000 direct marketing pieces to targeted prospects that resulted in 50 prospects.

Web Site

Web site design and development continues and is linked to several national sites.

Grantee:	St. Croix Economic Alliance
Grant Amount:	\$15,000
Match Amount:	\$15,000
Status:	\$14,523 expended; \$477 unexpended

Promotional Materials

Marketing collateral was designed and developed in cooperation with the Sunrise County Economic Development Council to render a consistent message and theme about the area.

Special Activities

SEA researched target markets and created a database of companies shipping product through Calais. SEA also polled former local high school alumni groups who now live out-of-state for information regarding potential corporate expansions and relocations.

Grantee:	St. John Valley Business Attraction Program
Grant Amount:	\$30,000
Match Amount:	\$30,000
Status:	\$29,261.29 expended; 738.71 unexpended

Trade Shows/Conferences

The SJVBAP participated in eight trade shows in the United States and Canada, generating 15 leads and three prospects, one of whom visited the region on their own initiative and whom is actively considering placing a branch operation in the Valley. Trade shows and conferences attended include: Logfor in Quebec City; National Buyers Market and SNAXPO, both in Philadelphia, the National Gourmet Food Show in Boston, the Canadian High Technology Show and Canadian Metal Manufacturers Association, both in Toronto; SIBO 2000 in Montreal; and, Mid West Industrial Wood Working in Grand Rapids.

Grantee:	Upper Valley Economic Council
Grant Amount:	\$15,000
Match Amount:	\$15,000
Status:	\$9,816.46 expended; \$5,183.54 unexpended

Trade Shows/Conferences

UVEC representatives attended three trade shows, including SNAXPO in Philadelphia, the Atlantic Industrial Show in Halifax, and the Quebec Industrial Woodworking Show. The Quebec Industrial Woodworking Show resulted in a woodworking contract for a local woodworking mill that led to the employment of four additional people. The owner of the woodworking mill was also contacted by a Canadian company that was interested in starting a joint venture.

Promotional Materials

UVEC developed presentation packets and follow-up materials for fulfillment, and continued development of its web site.

D. Labor Force Analysis

Two hundred fifty thousand dollars was granted to USM's Center for Business and Economic Research (CBER) to conduct the first phase of a highly comprehensive, detailed analysis of Maine's labor force. The primary intent of the labor force assessment is to assist business attraction efforts by providing detailed, accurate information regarding the state's workforce. It is also intended to help existing businesses identify trends that will enable them to improve their human resource policies, as well as identify potentially strategic partnerships between education, training and economic development that will foster improvements in the state's workforce.

The Labor Force Analysis, which is expected to be complete in the summer of 2001, is currently known to be the most comprehensive labor force assessment effort in the United States. Results as completed are made available on the www.MaineBusinessWorks.org site, an important resource used by economic development practitioners.

F. Foreign Direct Investment

Fifty-five thousand dollars was granted to the Maine International Trade Center (MITC) to implement the Foreign Direct Investment (FDI) program. The primary objective of the

FDI program is to attract additional business investment to Maine from the European market by raising the awareness of Maine as a viable and competitive option for investment through business expansion, relocation and/or acquisition. Funds were granted to MITC to hire a European consulting firm with extensive experience in the U.S. and European marketplaces.

A consultant in Germany was hired to locate qualified, quality business candidates potentially positioned for expansion. Businesses in the following industries were targeted: automotive; computer software; environmental services; aircraft manufacturing and support enterprises; electronics manufacturers; and, precision metal.

The consultant's presentations and communications with numerous European companies resulted in meetings between Governor King and key decision makers from four companies during a trade mission to Germany in November 2000. Two companies are long term prospects, while another is a serious client to whom a proposal was very recently made.

G. Marketing Collateral

DECD designed and developed 250,000 brochures for distribution to out-of-state travelers entering Maine via the Maine Turnpike last summer, beginning Memorial Day Weekend. The brochures' message, "*Maine. Worth a visit. Worth a lifetime.*" and content were created to appeal to out-of-state visitors who may own businesses or wish to pursue a career in Maine. The brochure was intended to plant the seed of thought about Maine as being a great place to consider "For your business . . . For your career . . . For your life." Thousands of brochures were given out at the York tollbooth and distributed to the visitor centers throughout the state. Brochures were also displayed at the Portland and Bangor International Jetports.

Other marketing collateral included the purchase of the new business attraction brochure from Maine & Company, "Take Your Business in a New Direction." A limited number of these brochures are printed for DECD's particular use and have the Department's contact information.

VIII. FY01 BUSINESS ATTRACTION MARKETING PROGRAM

Business attraction and expansion marketing efforts gain momentum as the program enters its third consecutive year with the Legislature's appropriation of \$1,500,000. DECD was again required to disburse the funds in accordance with a competitive quality based selection procedure established by the Department. The Department allocated the funds as follows:

\$300,000	Statewide Business Attraction Program
\$685,000	Regional/Local Business Attraction Program
\$250,000	Labor Market Analysis
\$100,000	National Image Advertising Campaign
\$ 50,000	Foreign Direct Investment Program
\$115,000	Special Business Attraction Opportunities

A. State, Regional and Local Business Attraction Efforts

Funds for the statewide business attraction effort were once again awarded to Maine and Company, while \$685,000 was allocated among 14 regional and local economic development agencies. While in some respects the method by which funds were disbursed was essentially the same as in the previous two years, the process in FY01 was slightly more competitive due to the fact that \$685,000 in funding was available to regional and local organizations, vs. \$800,000 available the previous year. The complete performance and fulfillment of all state, regional and local marketing plans is required by December 31, 2001.

BAMP's competitive process this year evolved to place greater emphasis on an organization's effective performance and fulfillment of previous BAMP marketing plans, as well as dedicated capacity, or human resources, to commit to their proposed plans' implementation. Emphasis was also placed on collaborative proposals that dovetail with state, regional and local efforts, as in the case of the model "One Aroostook" program. Additionally, because a great deal of organizational, or foundational, work was accomplished within years one and two of the program, organizations were strongly encouraged to focus their plans on networking efforts and proactively meeting prospects through trade shows, conferences, marketing trips and prospect visits.

To ensure the coordinated implementation of all marketing efforts, organizations are required to attend regularly held "Team Maine Marketing Committee" meetings. Information and experience concerning trade show and conference attendance is shared, and members are educated on marketing advice and strategies.

B. Labor Force Analysis

The second year of the Labor Force Analysis is expected to yield a complete and comprehensive analysis of the workforce characteristics in all regions of the state. Important issues relative to economic development, particularly those that affect job mobility, recruitment, skills and training needs are highlighted. The Analysis is expected to provide meaningful information upon which important economic development issues can be made.

The Labor Force Analysis is currently available on the www.MaineBusinessWorks.org web site, and ongoing training and workshops for its uses and interpretations are conducted.

C. National Image Advertising Campaign

Current perceptions of Maine by out-of-state decision makers inhibit the state's ability to attract prospects for business relocation, expansions and start-ups. While Maine is considered by many as a great place to visit, many perceive that it has no labor pool. . . . lacks modern infrastructure. . . . is at the end of the transportation line. . . . has a poor business climate. . . . has high taxes. . . . has a poor education system. . . .

Maine's potential for growth can be greatly enhanced if a strong brand image can be created in prospects' minds. An advertising agency was hired to launch an image

advertising campaign that portrays Maine as the single best choice for any company looking to expand their operation or to relocate their product development or production at an Eastern U.S. Location. The campaign, which began in April 2001, conceptually encapsulates the characteristics that make a compelling case for Maine – the state's high-tech infrastructure, a highly capable and dedicated work force, a superior education system, an extraordinary quality of life, the best place in the U.S. to raise a child, and more.

In order to take full advantage of the media expenditure, a specific geographic region that would hold the highest potential for dramatic results was chosen. Silicon Valley is the chosen target for attracting prospects in a clean industry with high quality employment opportunities. By focusing the message and media dollars on the target rich area, the advertising is expected to gain an added level of intrusiveness.

D. Foreign Direct Investment Program

The Foreign Direct Investment Program continues into its second year with the hiring of a different consultant from Germany.

E. Special Opportunities

\$100,000 in funding was allocated to the Putnam Investment Project, with the expectation that \$50,000 will be reimbursed to DECD by the Governor's Office. Funds were used to establish employee training centers at Thomas and Husson colleges for Putnam's successful work@home employment program.

BUSINESS ATTRACTION MARKETING PROGRAM FY2001 Allocations

	State Allocation	Matching Funds	Total Program
State			
Maine & Company	\$300,000	\$300,000	\$600,000
Regional			
Androscoggin Valley Council of Governments	\$ 50,000	\$ 80,000	\$130,000
Eastern Maine Development Corporation	\$ 75,000	\$144,604	\$219,604
Kennebec Valley Council of Governments	\$ 25,000	\$ 25,000	\$ 50,000
Mid-Coast Council for Business Development	\$ 25,000	\$ 44,500	\$ 69,500
Northern Maine Development Commission	\$200,000	\$200,000	\$400,000
Southern Maine Economic Development District	\$ 45,000	\$ 45,000	\$ 90,000
Total Regional	\$420,000	\$539,104	\$959,104
Local			
Bangor Region Development Alliance	\$ 55,000	\$119,700	\$174,700
Greater Franklin Development Corporation	\$ 25,000	\$ 25,000	\$ 50,000
Growth Council of Oxford Hills	\$ 45,000	\$115,860	\$160,860
Kennebec Regional Development Authority	\$ 40,000	\$ 40,000	\$ 80,000

Lake Region Development Council	\$ 15,000	\$ 33,600	\$ 48,600
Lewiston-Auburn Economic Growth Council	\$ 23,000	\$ 24,105	\$ 47,105
Piscataquis County Economic Development Council	\$ 37,000	\$ 40,250	\$ 77,250
Sunrise County Economic Council	\$ 25,000	\$ 29,458	\$ 54,458
Total Local	\$265,000	\$427,973	\$692,973
Total State, Regional and Local	\$985,000	\$1,267,077	\$2,252,077

IX. STATUS

With the exception of Maine & Company, which entered into a contract in August 2000 and whose marketing activities are expected to be complete by June 30, 2001, nearly all organizations entered into their contracts January 2001. The BAMP follows a calendar, versus fiscal, year for its planning and activities. Remaining account balances, therefore, may appear to be artificially high due to the timing of the implementation of marketing plans and invoicing for activities.

BUSINESS ATTRACTION MARKETING PROGRAM

FY 2001 Status

As of March 31, 2001

Organization	Beginning Balance	Balance Remaining
State		
Maine & Company	\$300,000	0
Regional		
Androscoggin Valley Council of Governments	\$ 50,000	\$ 50,000.00
Eastern Maine Development Corporation	\$ 75,000	\$ 75,000.00
Kennebec Valley Council of Governments	\$ 25,000	\$ 25,000.00
Mid Coast Council for Business Development	\$ 25,000	\$ 25,000.00
Northern Maine Development Commission	\$200,000	\$ 93,650.51
Southern Maine Economic Development District	\$ 45,000	\$ 43,000.00
Local		
Bangor Region Development Alliance	\$ 55,000	\$ 55,000.00
Greater Franklin Development Corporation	\$ 25,000	\$ 24,719.33
Growth Council of Oxford Hills	\$ 45,000	\$ 35,138.75
Kennebec Regional Development Authority	\$ 40,000	\$ 25,307.50
Lake Region Development Council	\$ 15,000	\$ 15,000.00
Lewiston-Auburn Economic Growth Council	\$ 23,000	\$ 22,698.22
Piscataquis County Economic Development Council	\$ 37,000	\$ 37,000.00
Sunrise County Economic Development Council	\$ 25,000	\$ 25,000.00
Totals	\$985,000	\$551,514.31