San Luis Obispo County

Clusters of Opportunity Economic Strategy

Economic Vitality Corporation of
San Luis Obispo County

November 2010

EVC
ECONOMIC VITALITY CORP.

Version 1.0

This summary document prepared by:

COLLABORATIVE ECONOMICS

ADVISORS TO CIVIC ENTREPRENEURS

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Executive Summary

For the first time, more than 100 of San Luis Obispo County's business leaders have agreed to work together—and with partners in government, education, and community sectors—to implement a shared agenda for economic vitality and community well-being. This document marks the launch of the San Luis Obispo Clusters of Opportunity Economic Strategy.

Clusters of opportunity provide the logical starting point for an Economic Strategy for the County. Five industry clusters have been responsible for most of the County's new economic vitality since the 1990s. They are: Building Design and Construction, Health Services, Knowledge and Innovation Services, Specialized Manufacturing, and "Uniquely SLO County" (a combination of agriculture, wine, recreation, accommodation, restaurants, and other specialty products and experiences).

Clusters of opportunity, if innovative, competitive, and healthy, will drive the "vital cycle" needed for economic prosperity and community quality of life that benefits residents across San Luis Obispo County. They generate jobs and wages for residents and buy products and services from local suppliers that have a positive ripple effect to create benefits for every community in the County. They generate tax revenues that fuel local public services and support the outstanding quality of life enjoyed by local residents.

Business leaders convened in cluster groups to identify the most promising opportunities for their industries to prosper in San Luis Obispo County. They identified a wide range of opportunities—even in the face of a global recession—that could drive their prosperity in the years ahead, including emerging markets for their products and services, new innovations that will enable them to stay competitive, and changes in public policy that could spur new vitality in their industries.

To capitalize on these opportunities, business leaders created cluster action plans, including specific strategies and measurable outcomes, as well as specific actions to take immediately. Virtually all of these leaders have signed on to be "champions" of the action plans, which together constitute the Clusters of Opportunity Economic Strategy for San Luis Obispo County.

The Action Plans launch teams and lay out specific steps for implementing a total of twenty strategies—the top three to five priorities per cluster. The specific Cluster Action Plans are included at the end of this document. The San Luis Obispo Economic Vitality Corporation and its partners will provide the implementation support to the teams.

Economic Vitality Corporation
of San Luis Obispo County

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501(c)(3) Non-profit

November 1, 2010

Re: **Economic Strategy for San Luis Obispo County**

The Economic Vitality Corporation (EVC) is pleased to announce the completion of an Economic Strategy for San Luis Obispo County which provides an assessment of, and strategy for, our local economy for long-term economic prosperity.

Formed over one year ago, this project represents the first-ever public/private partnership in San Luis Obispo County to provide a road map for greater economic vitality in our region. A comprehensive strategy has been created by COLLABORATIVE ECONOMICS, Inc. by analyzing the results of an industry cluster assessment with input from more than 100 local business leaders. As a regional economic development organization, the EVC is managing this project and it is made possible through public and private project sponsors. Now we must all implement the strategy.

PROJECT STEERING COMMITTEE

Frank Mecham, Chairman
Board of Supervisors
Adam Hill, Vice-Chairman
Board of Supervisors
Candy Markwith
EVC Board Chair
Tom Jones
Dave Juhnke
Steven Harding
Dave Christy
Dave Garth
Dana Lilley

The goal of the project is to create long-term prosperity and job growth throughout the county while improving the well-being of our communities through a strategy that addresses social, environmental and economic considerations. The project cluster assessment identifies the strengths and weaknesses of our local economy. As a result, five industry clusters have been targeted as the source for nearly 90 percent of local jobs since 1995. The strategy frames opportunities and requirements for more prosperity.

Call to Action – Your help is needed. The next phase of this effort is to move from planning to implementation, and your time and resources are needed to help implement the strategy. We will unleash the same enthusiasm, creativity and ingenuity that have formed this strategy into actionable items for policy makers and private sector entrepreneurs. Please learn more about the project from the EVC website (http://sloevc.org/strategy.php.) and contact us as to how your talents can be integrated. One thing is clear -- every business leader can contribute and every county resident and company will benefit, from the increased activity in these vibrant clusters within our county. If you have questions or suggestions, please contact Mike Manchak at 805-788-2013 or mmanchak@sloevc.org.

Our special thanks to the project sponsors, committe members, business leader volunteers as well as the EVC sponsors and Board of Directors for making this project a reality.

Sincerely,

Michael E. Manchak
President & CEO
Economic Vitality Corporation

Sincerely,

Candace L. Markwith
Board Chair, Economic Vitality Corporation
CEO, Sierra Vista Regional Medical Center

Economic Strategy Project

A special thanks to the following project sponsors

County of San Luis Obispo
$ 50,000

Pacific Gas & Electric
$20,000

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$18,000

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Sierra Vista Regional Medical Center
$2,500

Letters of Support

STATE CAPITOL
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California State Senate

SENATOR
SAM BLAKESLEE, PH.D.
FIFTEENTH SENATE DISTRICT

Dear Members of the Economic Strategy Committee,

President John F Kennedy once said "a rising tide lifts all boats." Likewise, a growing and vibrant economy helps everyone. I am excited that local leaders from business and government of many different political persuasions have come together to unite behind the creation of a report describing an integrated economic strategy for San Luis Obispo County. The Economic Strategy Report will offer ways to create more head-of-household jobs, foster more businesses that are compatible to our county, and create ways to develop more tax rolls for our local government to pay for vital infrastructure and services.

I believe it is good that government and businesses are collaborating in such a positive way on a project to increase jobs and grow the local economy. The project goes beyond only helping the economy and businesses grow; it also looks at ways to improve the wellbeing of our local communities. The project will benefit all county residents and communities.

I am encouraged by the prospects for the use of the information gathered for the creation of this strategy. This project is the first step in learning about our local economy and determining how we should move forward as a community. I congratulate the more then 100 participants who contributed their time and money to bring this idea to fruition.

Sincerely,

Senator Sam Blakeslee

KEVIN McCARTHY
22ND DISTRICT, CALIFORNIA

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www.kevinmccarthy.house.gov

November 3, 2010

The Honorable Frank Mecham
Chairman
Economic Strategy Project of San Luis Obispo County
1055 Monterey Street, Suite D430
San Luis Obispo, California 93408

Dear Chairman Mecham:

I write to commend the residents, local entrepreneurs, government officials, the Economic Vitality Corporation of San Luis Obispo (EVC), and other stakeholders for laying out a vision for the future of San Luis Obispo County's economic prosperity in the "San Luis Obispo Clusters of Opportunity Economic Strategy."

As you know, our state and county are facing record unemployment, massive debt, and many businesses either closing up shop or leaving California for more business-friendly environments. New innovative ideas are needed to ensure the economic vitality of San Luis Obispo and job creation. Our communities along the central coast are home to some of the most promising, innovative and leading companies in the region and state. It is important that we draw on their expertise and business acumen to help ensure a bright future for San Luis Obispo County, which is why I am glad over 100 local business leaders contributed to developing the Strategy. The five clusters laid out in the Strategy play an important role in our county and it is important that these areas continue to thrive to benefit our local communities.

I look forward to continuing to work with you, other government officials, local business leaders, the EVC, and residents of San Luis Obispo County on these important issues and creating jobs, and wish all parties the best of luck with the "San Luis Obispo Clusters of Opportunity Economic Strategy."

Sincerely,

Kevin McCarthy

KEVIN McCARTHY
Member of Congress

cc: Mr. Michael Manchak
President and CEO
Economic Vitality Corporation of San Luis Obispo
P.O. Box 5257
San Luis Obispo, CA 93403

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House of Representatives

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November 3, 2010

Mr. Michael Manchak
President/CEO
Economic Vitality Corporation of San Luis Obispo County
P.O. Box 5257
San Luis Obispo, CA 93403

Dear Mr. Manchak:

Congratulations on the completion of the San Luis Obispo County Economic Strategy.

This first-ever public-private partnership, managed by the Economic Vitality Corporation (EVC), and chaired by Chairman of the Board of Supervisors Frank Mecham and Supervisor Adam Hill, will go a long way toward helping San Luis Obispo County build a vibrant and competitive economy for years to come.

During these tough economic times, creating a comprehensive economic strategy for San Luis Obispo County could not come at a better time. As the report demonstrates, San Luis Obispo County is rich in resources, talent and ingenuity, factors that will lead to long term prosperity and job growth throughout the County. In particular, I am excited to see the emphasis on green, sustainable businesses that are critical to both economic growth and protecting our planet for future generations.

I commend you and all who worked on this project for your hard work and dedication to our community, and look forward to continuing to work with EVC and local businesses to create jobs and move our economy forward.

Sincerely

Lois Capps

LOIS CAPPS
Member of Congress

BOARD OF SUPERVISORS

1055 MONTEREY, ROOM D430 • SAN LUIS OBISPO, CALIFORNIA 93408-1003 • 805.781.5450

November 5, 2010

FRANK R. MECHAM
SUPERVISOR DISTRICT ONE

Dear San Luis Obispo County,

In real estate, the three most important ingredients are location, location and location. In today's economic climate the three biggest concerns are jobs, jobs and jobs. We are proud to join together, with the support of our colleagues, to assist with the first ever Economic Strategy for San Luis Obispo County.

With the participation of more than 100 top business executives, educators and innovative thinkers, and in partnership with the Economic Vitality Corporation, the establishment of a County-wide economic strategy is now becoming a reality. This comprehensive effort will become the roadmap of economic development for many years to come.

The five "economic clusters" have provided the implementation and action plan necessary to address the requirements for opportunity. Clearly, the three-pronged participation of businesses, education and government will be critical as we move down the road to economic recovery.

This overall strategy is meant to establish a County-wide effort that can better assist the job growth of our key industries. As revenues shrink, and as public sector jobs shrink too, it is ever more important that government partner with education and business to put an increased focus on head-of-household jobs. It's critical that we all work together so that our companies can grow here and stay here, and thus in doing so help to underwrite our County's superb quality of life.

We are honored to have been a part of this strategy and support the Economic Vitality Corporation and the sponsors who made this possible. San Luis Obispo County has much to offer and we believe an exciting future lies ahead.

Sincerely,

Frank R. Mecham, First District Supervisor

Adam Hill, Third District Supervisor

Introduction by Author

COLLABORATIVE ECONOMICS

November 5, 2010

Mr. Michael E. Manchak
President & CEO
Economic Vitality Corporation
P.O. Box 5257
San Luis Obispo, CA 93403

Re: **Economic Strategy for San Luis Obispo County**

Dear Mike:

We offer our congratulations on the completion of your clusters of opportunity economic strategy. The San Luis Obispo County business community has come forward, and identified promising opportunities and requirements for industry cluster prosperity, then set measurable outcomes and designed priority strategies for action. Now, more than 100 business champions, with the support of the EVC and other public and private partners, are poised to begin implementation. It has been a privilege working with you and your champions to help develop these cluster action plans.

As you know, ours is a nationally-recognized organization (www.coecon.com) has been involved with many regions across California and the nation, helping develop economic strategies. We have worked in Sonoma County, the Redwood Coast, San Diego, Sacramento, Fresno, the Inland Empire, Solano County, Los Angeles, Silicon Valley, and Northern Sacramento Valley—in all, more than 50 communities across 25 states over the past 17 years.

We have also worked with national foundations and groups like the Pew Charitable Trusts, Rockefeller Brothers, foundations such as Irvine, Hewlett, Packard, the National Governors' Association, and others on economic development, workforce development, energy, and other policies and linkages. In two books, we have documented the leadership of "civic entrepreneurs" in communities across the country, individuals who bring the creativity and persistence to form teams that drive specific actions to improve the economic vitality and quality of life of their regions.

In all these efforts, the big question always is: are business leaders really willing to champion ideas that they put forward? The business leaders in your region have answered this question with a resounding "yes! Virtually every individual who participated in the planning and design process has volunteered to a champion in implementation. This is a tremendous achievement, and is without a doubt one of the highest levels of civic entrepreneurship we have seen in our work. We wish you the best as you begin implementation.

Sincerely,

John Melville

John Melville
President

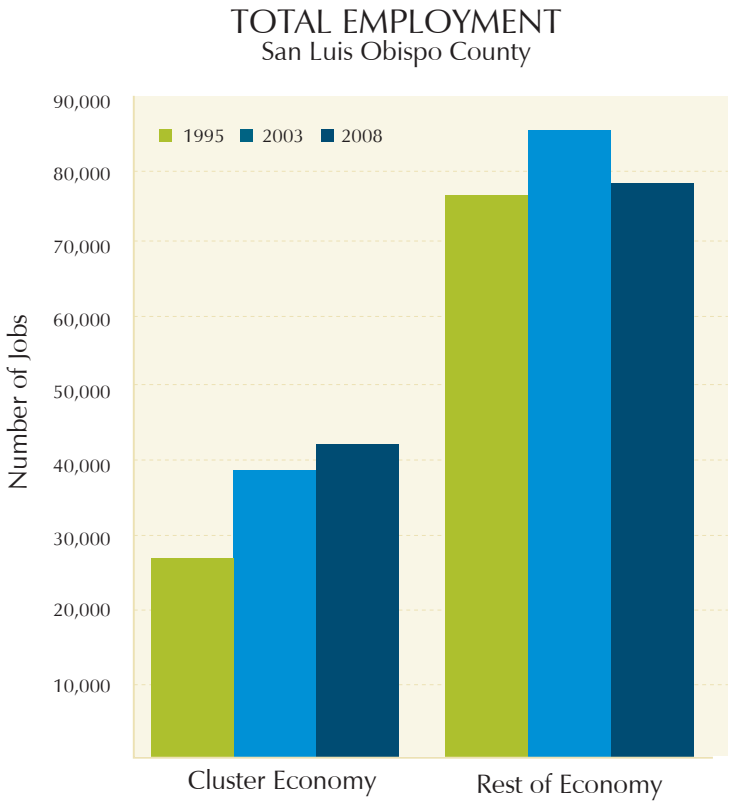
520 South El Camino Real, Suite 710 San Mateo, California 94402 T: 650.235.8323 F: 650.293.3881 www.coecon.com

Developing The County's Clusters Of Opportunity Strategy

For the first time, more than 100 of San Luis Obispo County's business leaders have agreed to work together—and with partners in government, education, and community sectors—to implement a shared agenda for economic vitality and community well-being.

This Strategy is the product of a series of work sessions convened by the Economic Vitality Corporation of San Luis Obispo County (EVC) with sponsorship from both County government and local companies. The foundation of the Strategy is new economic information that identified five key industry "clusters of opportunity." These clusters have been responsible for most of the County's new economic vitality since the 1990s—and will continue to be critical to the County's future well-being (see chart below).

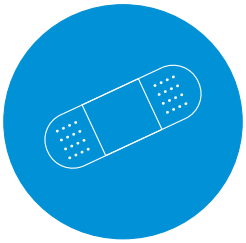
The clusters drive economic vitality, generating jobs and wages for residents and expanding purchases of products and services from local suppliers, all resulting in a positive ripple effect to create benefits for every community in the County. The clusters also generate tax revenues that fuel local public services and support the outstanding quality of life enjoyed by local residents. The clusters, if innovative, competitive, and healthy, will drive the "vital cycle" needed for economic prosperity and community quality of life that benefits residents across San Luis Obispo County.



Data Source: National Establishment Time-Series Database
Analysis: Collaborative Economics

For these reasons, clusters of opportunity provide the logical starting point for an Economic Strategy for the region. The five clusters are: Building Design and Construction, Health Services, Knowledge and Innovation Services, Specialized Manufacturing, and "Uniquely SLO County" (a combination of agriculture, wine, recreation, accommodation, restaurants, and other specialty products and experiences). A more detailed research report on the clusters is available from the EVC website. Briefly, the industries included in each cluster are as follows:

The Building Design and Construction Cluster is comprised of architectural & engineering services, building construction, building equipment and finishing, foundation, structure, & building exterior contractors, heavy & civil engineering construction, land subdivision, utility system construction, green energy implementation, and roadway & bridge construction.



The Health Services Cluster includes home health care services, elderly community care facilities, medical & diagnostic laboratories, outpatient care centers, acute care hospitals, doctor's offices, dentist's offices, ambulatory services, and biosciences and medical products.

The Knowledge & Innovation Services Cluster is made up of a range of businesses including computer systems design, software publishers, colleges, universities & professional schools, advertising services, and printing services, as well as general professional, scientific, management and technical services.

The Specialized Manufacturing Cluster contains aerospace product manufacturing, basic & agricultural chemical manufacturing, electrical equipment manufacturing, medical equipment & supply manufacturing, pharmaceutical manufacturing, transportation & navigation equipment manufacturing, agricultural & construction machinery manufacturing, plastics & rubber manufacturing, motor vehicle & parts manufacturing, metalwork manufacturing, and cement & concrete manufacturing.

Wine & Agriculture includes aquaculture, floriculture production, vegetable farming, cattle ranching, fruit & nut farming, olives and olive oil, walnut oil, animal processing, and beverage manufacturing.

Recreation & Accommodation includes higher-value food and drink establishments, traveler accommodations, and amusement & recreation industries. High-value food and drink establishments reflect revenues per employee above the statewide average.

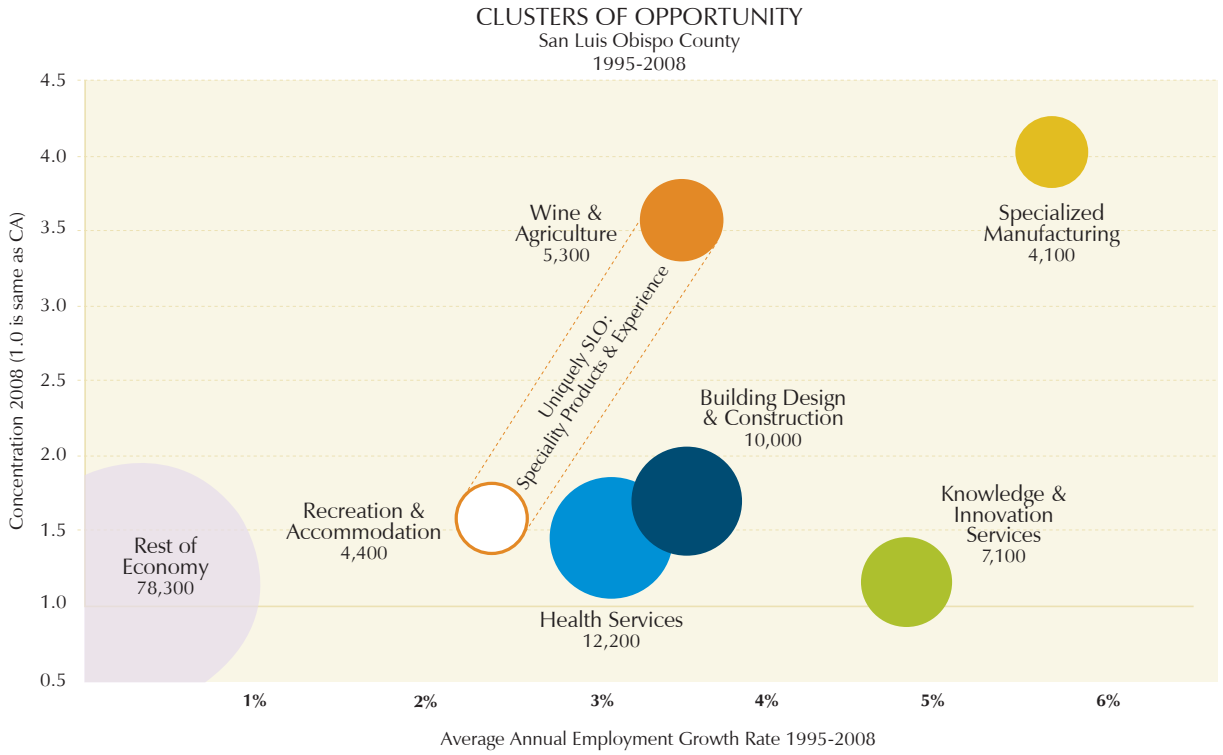
Wine, Agriculture, Recreation, Accommodation, and other regional specialty products and services combine into a cluster that can be called "Uniquely SLO County."

As of 2008, the five clusters accounted for 36% of the County's jobs, but have been responsible for 89% of the County's job growth since the mid-1990s. From 1995 to 2008, the number of jobs in San Luis Obispo County's cluster-based economy grew 59 percent, while the number of jobs in the rest of the region's economy increased by less than one percent. More recently, while the number of jobs in non-cluster industries actually decreased eight percent from 2003 to 2008, those in the cluster-based economy grew nine percent.

As the chart below shows, the five clusters all experienced average annual growth rates ranging from about two to six percent between 1995 and 2008. Every one of the clusters is more concentrated in San Luis Obispo County, compared to the California average. For example, Specialized Manufacturing is four times more concentrated in terms of employment in San Luis Obispo County when compared to California as a whole. While the current global recession has adversely affected virtually all sectors of the local economy, the long-term record of these five clusters has not been erased: they remain as key drivers of the County's economic vitality and community well-being.

Once the clusters of opportunity were identified, business leaders were convened into five cluster groups. In May 2010, more than 100 senior business executives gathered to discuss the most promising opportunities for their industries to prosper in San Luis Obispo County. They identified a wide range of opportunities—even in the face of a global recession—that could drive their prosperity in the years ahead, including growing markets for their products and services, new innovations that will enable them to stay competitive, and changes in public policy that could spur new vitality in their industries. They also identified the critical requirements to capitalize on these opportunities in San Luis Obispo County.

Between May and October 2010, these business leaders focused on how best to capitalize on the most promising opportunities for their clusters. They developed action plans that include specific strategies and measurable outcomes, as well as specific actions to take immediately. Virtually all of these leaders have signed on to be "champions" of the action plans, which together constitute the Clusters of Opportunity Economic Strategy for San Luis Obispo County. The following sections summarize the opportunities, requirements, and key strategies for action for each cluster.



Data Source: National Establishment Time-Series Database
Analysis: Collaborative Economics

Building Design and Construction

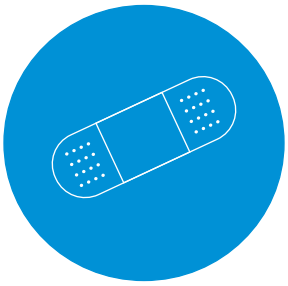
Business leaders in the Building Design and Construction cluster identified opportunities to serve growing markets in energy efficiency (including retrofits), renewable energy production and applications, and innovative design and building. They identified retirement housing, especially opportunities linked to active lifestyle, health, and related services, and opportunities to serve the need for workforce housing, infill development, and community infrastructure.

To enable the cluster to serve new and growing markets, improvements to the permitting process that would provide flexibility, increase speed, reduce fees, improve predictability, and prioritize high-quality development projects is required. Better promotion of innovative design and building projects, both locally and globally, as well as leveraging the world-class strengths of Cal Poly's architectural and engineering schools in particular, are also critical to revitalizing the cluster.

In addition, business leaders also focused on the need to identify and help connect companies to existing incentive funding (e.g., energy efficiency upgrades), and strengthen policies that encourage production and use of renewable energy (including procurement policies of government and other large purchasers in the County).

After discussing the options, business leaders decided to develop three distinct action plans:

- Quality Development Coalition: Create a business-led group that would develop criteria for high quality development in the County, support projects that meet those criteria at public meetings, educate the public on the connection between quality development and economic vitality, advise the local jurisdictions on infrastructure planning and financing, promote zoning changes to enable additional housing, and encourage analysis of economic impacts for local projects and policies.
- Innovative Design and Building Partnership: Create a partnership that would spotlight and promote innovative projects designed and built by local companies (located both inside and outside the County), as a way to grow local and global business for the County's design and building companies. In addition, the partnership would broker stronger ties between local companies, Cal Poly, and Cuesta College to promote innovation.
- Green Energy Team: Create a Team to promote the County as a center for green energy production, expedite resolution of issues affecting approval of local projects, help develop, package, and publicize incentives for energy efficiency upgrades, and work with local educational institutions to prepare local talent for design, installation, maintenance, and other jobs.



Health Services

Leaders in the Health Services cluster identified opportunities to serve growing markets in destination health care, wellness, medical specialties, health information technology, telemedicine, and medical and social support for a growing elderly population. In addition, leaders identified opportunities to have more residents make use of local specialties rather than looking outside the County for these services. The implementation of national healthcare reform was also viewed as a potential driver, with the expansion of health insurance to those previously lacking coverage.

To capitalize on these opportunities in San Luis Obispo County, leaders focused on an integrated approach to becoming a recognized center of excellence in wellness. This approach would include a well-connected and well-publicized continuum of medical specialties, wellness services, social support, and other services, as well as an infrastructure of electronic health records and specialized retirement housing and communities. This approach would reduce residents' use of outside health services, while addressing growing demand for a broader array of services that would make the County a desirable destination for active baby boomer retirees.

The cluster would need to work together to develop the wellness strategy, including educating the community on existing specialties, connecting all segments of the service continuum, working with the building design and construction industry on specialty housing and communities, and collaborating with local institutions to ensure there is sufficient talent for the wide variety of occupations required to staff the growing demand for services across the continuum.

As a result, the cluster's action plan focused on the following three strategies:

- Launch a community education initiative that would (1) compile a comprehensive database describing the range of services and specialties that currently exist in the County, (2) inform the general public about the quality and accessibility of local specialties, (3) educate key individuals that can influence the choice of using local or outside specialties (e.g., employers, primary care/referring doctors), (4) create and host a widely accessible referral network of local specialties.
- Create a wellness network, linking partners in a unified approach to (1) develop materials and market the County as a wellness destination, including hosting wellness related conferences, (2) coordinate the use of health information technology to link services into a wellness continuum, (3) encourage integration of wellness into existing services and promote the development of additional components necessary to becoming a wellness destination (e.g., housing, social support, active lifestyle services).
- Create an advocacy coalition to change the County's reimbursement rate from a rural to an urban classification, working with other clusters in San Luis Obispo County and other California counties in similar situations.

Knowledge and Innovation Services

Business leaders in the Knowledge and Innovation Services cluster identified opportunities to serve growing global markets for knowledge, engineering, and other technical services, enabled by rapid innovation in mobile technologies and platforms. Because of this enabling technology, firms can deliver their services in education, healthcare, and other technical fields to a far-reaching global market without having to be located in a major metropolitan area. In this vein, business leaders identified the County as a good location for incubating and launching new services and entrepreneurial start-up companies.

To capitalize on these opportunities in San Luis Obispo County, business leaders focused on expanding the enabling infrastructure, including "test beds" (e.g., electronic government records, a smart grid as utilized in Boulder Colorado, electronic/paperless permitting, digital modeling) and better access to global networks (e.g., leveraging the region's unique fiber optic "beachhead" to Asia).

In addition, better recognition and promotion of the cluster (i.e., creating a "buzz" about the County as a tech hub) inside and outside the region is vital to retain local college graduates, help residents learn about existing opportunities, and attract key technical and entrepreneurial talent (as well as providing opportunities for "trailing spouses"). This would involve marketing and positioning the County as a technology, design, knowledge worker destination, leading to a stronger relationship with Cal Poly to inform students and alumni about opportunities in the County.

There also must be more opportunities to bring cluster businesses together in the tech sectors to explore business partnerships, more forums for access to capital and support for entrepreneurial ventures, and other joint efforts.

To address these needs, business leaders decided to form a Knowledge and Innovation Cluster Network to serve as a focal point for the cluster to come together to implement the following five strategies:

- Build awareness of the cluster through a new website that includes profiles of local business leaders and companies, products, and services; a news feed about local companies; an online job board; and an external marketing package to reach and inform companies and talent outside the County.
- Develop an agreement with Cal Poly to hold a first-ever knowledge and innovation cluster forum to define and launch specific partnerships among companies, faculty, and students, establish a clear access point at the University for cluster companies, and commit to annual summits to sustain and grow partnerships.
- Develop an agreement with Cuesta College to make greater use of the College's Entrepreneurship Center for new/small cluster companies.
- Expand access to global networks through expansion of fiber optic "beachhead" access, building from current efforts focused on existing facilities.
- Launch an innovation test bed initiative, matching local governments, agencies, and companies with local teams of cluster companies to identify and establish test beds for specific applications.

Specialized Manufacturing

Business leaders in the Specialized Manufacturing cluster identified opportunities to serve growing markets for customized, specialty equipment in such areas as sub-systems manufacturing, design, and support; aerospace and defense; energy efficiency and exploration; health technology; commercial applications of defense-originated technologies; and others. This cluster has the greatest concentration and highest growth rate of all the clusters, but since cluster companies typically provide products or services outside the County, specialized manufacturing is one of the least visible of the clusters. However, the benefits to the region are significant, with the potential to expand further.

To capitalize on these opportunities in San Luis Obispo County, business leaders focused on the critical need for skilled technical talent, and for flexibility and speed in the permitting process to enable them to make changes in their facilities in a fast-moving, competitive global marketplace. There are needs for a variety of skilled people—from software developers, IT professionals, and system engineers, to skilled manufacturing personnel (e.g., machinists, equipment maintenance, highly skilled technicians or assemblers). Meeting these needs will require better retention of local graduates, ensuring that residents know about opportunities in the cluster, and attracting key personnel. This could include creating a countywide, web-based platform to describe cluster companies, their products and workforce, and opportunities for jobs.

Firms also need to be able to make periodic, rapid facility changes to meet changing market conditions, and would benefit from permitting processes that are more responsive to these business realities. This could include fast-track approval for changes of certain kinds or in specific locations (e.g., smaller additions/adaptations to existing facilities, designated pre-approved zones or tech parks).

Business leaders decided they would launch a new Specialized Manufacturing Forum, a group that would provide the platform for launching the following specific strategies:

- Host regular company-to-company exchanges to share experiences, effective business strategies, lessons learned, and common issues; identify business assistance resources (funding, exports, communications, human resources) and quality suppliers; and forge mutually-beneficial business partnerships.
- Launch a funder education strategy to raise awareness of investment opportunities with local firms and help establish the County's identity as an attractive specialized manufacturing location (e.g., working with angel investors, venture capital firms, investment banks, local banks, and others).
- Educate the broader community (including city and county officials, and the general public) about specialized manufacturing and its value to the County's economic vitality (e.g., tax revenues, customer visitors, employee spending on goods and services, well-paying jobs, etc.).
- Accelerate permitting for facility modifications and new facilities by (1) sharing expertise in manufacturing techniques to help assess possible process improvements, (2) developing a faster permitting option for facility modifications when they meet pre-defined criteria, and (3) encouraging the creation of technology parks or zones that are pre-approved for development.
- Improve the local talent pipeline for the cluster by (1) using the Forum to promote job opportunities, (2) working with Cal Poly to link students/graduates with local job opportunities (e.g., first day is local employer day at career fairs), (3) visiting local high schools to make students aware of career options in the cluster, and (4) collaborating with Cuesta College and Cal Poly to develop offerings in "lean manufacturing" useful to the diversity of firms in the cluster.

Uniquely San Luis Obispo County

Business leaders in the Uniquely SLO County cluster identified opportunities to serve growing markets for unique regional products and experiences. In particular, growing interest in unique blends of wine, agricultural, educational, and culinary tourism could be drivers of prosperity for the industries in this cluster.

The cluster would benefit from expansion of: tours that involve multiple destinations (including those outside County), new and diverse attractions, meet the farmer opportunities and on-site sales (beyond wine), winery events, growing specialties (e.g., abalone, olives, olive oil, and walnut oil), and showcasing of agricultural innovation. Business leaders also noted that by connecting these elements and making them more visible to County residents would create better understanding and support for maintaining the future prosperity of this cluster.

To capitalize on these opportunities in San Luis Obispo County, business leaders focused on taking a countywide approach to branding and promoting the Uniquely SLO cluster, not only for tourism, but to increase local spending on local products and experiences as well as develop higher visibility in domestic and global markets for SLO County grown products of all kinds. This could take the form of marketing materials and a unified campaign, showcasing and connecting the diverse elements of the cluster brand.

In addition, to enable more people to experience these unique products and experiences, some changes in local policies would be beneficial, such as creating less restrictive rules for events and sales to encourage ag-tourism, working with wineries proactively on facility and other changes that will improve competitiveness and enrich the experience of visitors and residents alike, and improving regulatory processes which currently challenge agricultural production and processing to adopt innovations.

As a result, business leaders chose to continue working together as a combined cluster group to implement four specific strategies:

- Expand Countywide funding to promote the Uniquely SLO County cluster. This sustainable funding mechanism or arrangement could involve: consistent and expanded countywide tourism funding through annual contributions from community BIDs, greater participation of all lodging entities into BIDs or VCB, or other models.
- Launch a unified, Countywide branding and marketing campaign that (1) inventories the full range of cluster specialties, (2) promotes the concept of the "SLO County Experience" by describing and connecting diverse assets, and (3) supports collaborative events (e.g., Savor) that showcase the County's assets.
- Launch a parallel community awareness campaign that educates five groups (general public, policymakers, other clusters, potential opponents, our own employees) about the value of the cluster to the County's economic vitality and quality of life.
- Promote local policy changes that support individual specialties and combinations of specialties, including (1) less restrictive rules on events, complementary visitor-serving uses, and local sales to promote agricultural tourism, and (2) more flexibility for value-added improvements including agricultural processing and winery development.

Implementing the County's Clusters of Opportunity Strategy

Economic vitality is critical to sustaining a vital community and high quality of life—driving a vital cycle that produces revenues for public services and amenities, jobs for residents, and products and services for the local population.

The County has the opportunity to build on its economic strengths to ensure long-term vitality and quality of life. There are five major industry clusters of opportunity that have been responsible for almost 90% of the County's private sector job growth since the mid-1990s. It is these five clusters which are the focus of the Economic Strategy for San Luis Obispo County.

To capitalize on this opportunity requires specific action plans to promote the vitality of each of the five clusters. It requires champions—leaders from business, government, and the broader community willing to work together to set priorities and implement strategies that deliver results. It requires implementation support, an organization that will assist each of the clusters in carrying out their action plans, monitor progress, hold them accountable, and report back to the community.

The Economic Vitality Corporation is stepping forward to also become the implementation support organization for the cluster action teams. The successful implementation of action plans increases the economic vitality of each of the five clusters of opportunity in terms of jobs, wages, new and expanding businesses, and public revenues generated to support the County's quality of life.

To carry out this responsibility means:

- Supporting the implementation of all the cluster action plans, including assistance with funding, logistics, and recruitment of additional champions and implementation partners, including business leaders outside the clusters.
- Providing the venue for discussion of common issues and sharing of best practices across the clusters, and the catalyst for development of specific cross-cluster initiatives as needed.
- Monitoring progress and publishing milestones for each of the cluster action plans and holding teams accountable to their proposed outcomes.
- Enhancing cluster success and local support by communicating results of the cluster plans to the community and the broader message of the cluster-driven vital cycle that produces benefits for County residents on a regular basis through publications, events, and other means.
- Communicating information about the clusters to companies and individuals outside the County, and working with interested parties to connect them to cluster teams and/or assist them in relocating or expanding in the County.
- Providing the platform for the formation and launch of new action teams in the future in response to changing economic conditions and new opportunities to promote economic vitality and quality of life of San Luis Obispo County.

To carry out these responsibilities will require collaboration and support from both the public and private sectors. It is critical that the implementation of the clusters of opportunity strategy continue to be a public-private partnership, just like the development of the strategy and cluster action plans. While cluster employers will play a crucial role in the implementation of the action plans, government, education, and community leaders will also be needed to play important roles. There will be needs for specialized expertise, investment resources, and leadership in terms of policy and programs that will be critical to the successful implementation of the cluster action plans, and thus the overall success of San Luis Obispo County's cluster of opportunity economic strategy.

In implementation, it is important to remain opportunistic and adaptable, as conditions change, strategies are tried, and new resources become available. It will also be important to continue to welcome new "champions" to the team—individuals who are willing to invest their time and resources in helping their cluster and their County prosper.

Cluster Action Plans and Champions

Specific cluster action plans follow for Health Services, Knowledge and Innovation Services, Specialized manufacturing, and Uniquely SLO County. The Building Design and Construction Cluster created three distinct action plans—one for the creation of a Quality Development Coalition, one for an Innovative Design and Building Partnership, and one for a Green Energy Team.

Each action plan has three components: priority outcomes, priority strategies, and implementation actions. These are the outcomes, strategies, and actions that cluster leaders deemed most important in order to capitalize on the most promising opportunities for cluster prosperity. Under implementation actions, each plan identifies first steps/early wins to be accomplished during the next few months. For each cluster, a list of champions who have signed on to help drive implementation is included.

Building Design and Construction

Cluster Champions

KATHRYN ARBEIT
First Solar

RUDY BACHMANN
Specialty Construction

GREG BLUE
SunPower

CURT BOUTWELL
KCI Environmental

BRAD BRECHWALD
Wallace Group

MATT BROWNE
Liberty Coatings

JERRY BUNIN
Home Builders Association

MICHAEL CANNON
Cannon

KEVIN HAUBER
SLO Green Build

JEANNE HELPHENSTINE
South County Realty

MARTY INDVIK
Lee & Associates

ERIK JUSTESEN
RRM Design Group

TREVOR KEITH
County of San Luis Obispo

ANGIOLO LAVIZIANO
REC Solar

TIM MAHONEY
Southern CA Gas Company

DAVID MARCHELL
Omni Design Group

HAMISH MARSHALL
Westpac Investments

DON MARUSKA
Don Maruska & Co.

STEVE MCCARTY
Stafford- McCarty

VIC MONTGOMERY
RRM Design Group

GREG NESTER
Greg Nester Homes

SUZANNE PARKER
Chevron

MATT QUAGLINO
Quaglino Properties

CHARLIE RICHARDSON
Richardson Properties

JOHN RICKENBACH
Planning & Environ Consult.

TURKO SEMMES
Semmes Builders & Co.

BILL THOMA
Thoma Electric

CHUCK TREATCH
JRW Group

KRIS VARDAS
Pacific Gas & Electric

PATRICK WELLER
Pacific West Energy Solutions

DICK WILLHOIT
Estrella Associates

TIM WOODLE
Pults & Associates

JERRY WILLIAMS
J. W. Design & Construction

Please contact EVC about joining this group.

Quality Development Coalition Action Plan

PRIORITY OUTCOMES

DEVELOPMENT PROCESS IMPROVEMENT

Shorter and more certain time frame to get from permit application to decision

Permitting process balances economic vitality and environmental well-being, and results in more approvals of high-quality projects.

Land use ordinances allow flexibility for high-quality projects (e.g., through a County Planned Development Ordinance)

Rezoning of land and construction of workforce housing, particularly for the five clusters critical to the County's economic vitality

Priority is given to commercial building modifications that enable companies in the five key clusters to remain competitive and contribute to the economic vitality and quality of life of the County

PRIORITY STRATEGIES

DEVELOPMENT PROCESS IMPROVEMENT

Create a business-led Quality Development Coalition of leaders and employees of cluster and other businesses, and other community partners. Coalition would:

1. Develop criteria for high quality development.
2. Support projects that meet these criteria at public meetings.
3. Conduct a campaign to educate general public on the connection between quality development and economic vitality.
4. Create an infrastructure planning and financing team to identify needs and strategies to fund infrastructure improvements, including a standing advisory committee to the County Board of Supervisors.
5. Promote rezoning of land in the County for housing as part of the Land Use Element Update that is currently in progress.
6. Encourage analysis of economic impacts of projects and policies in the County, and consistency with the Economic Element of the General Plan.

Coalition would also provide individuals to participate and work with the County's Process Improvement Committee, which will examine public processes and develop specific changes to improve process efficiency.

IMPLEMENTATION ACTIONS
FIRST STEPS/EARLY WINS
Quality Development Coalition 1. Build the coalition, recruiting members from all the County's leading industry clusters 2. Establish criteria for supporting quality development projects 3. Choose first projects to support and deliver supporters to public meetings 4. Create a team on infrastructure planning and finance to work with County Board to establish advisory committee 5. Assign individuals to join or work with the County's process improvement Committee 6. Assign individuals to join with other partners to work with County on rezoning of land for housing as part of Land Use Element Update.

Innovation Design and Building Partnership Action Plan

PRIORITY OUTCOMES
INNOVATIVE DESIGN AND BUILDING
Growing volume of California, U.S., and global design and building work for local companies
Innovative local design and building becomes a growing share of total design and building in the County
Increasing resource savings and efficiency in County due to innovative design and building
Growing collaboration between local companies, Cal Poly, and Cuesta College (projects, consulting, graduates, students) promotes innovation among local firms

PRIORITY STRATEGIES
INNOVATIVE DESIGN AND BUILDING
Form partnership to spotlight and promote innovative locally-designed projects being built in County and by local companies in other locations to encourage expansion of innovative design and building locally and as a way to promote exports of our expertise globally.
Develop partnership agreements between the local design and building industry and Cal Poly and Cuesta College, outlining specific commitments to collaborate and drive innovation.

IMPLEMENTATION ACTIONS
FIRST STEPS/EARLY WINS
Innovative Design and Building Partnership Assemble partnership to focus on: 1. Spotlighting examples of innovative design and building by local companies 2. Promoting SLO County's innovative design and building capabilities globally 3. Building the partnership with Cal Poly and Cuesta College to deliver mutual benefits to the industry and the institutions and their students. Particular attention will be paid to connecting Cal Poly strengths in Engineering and Architecture with the local design and building industry.

Green Energy Team Action Plan

PRIORITY OUTCOMES
GREEN ENERGY & ENERGY EFFICIENCY
IMPROVING CLIMATE FOR GREEN ENERGY & ENERGY EFFICIENCY
Increasing County and city support for green energy production and use
Improvements in permitting processes for green energy production
New and expanded green energy production facilities in County
GROWING POSITIVE IMPACTS OF GREEN ENERGY & ENERGY EFFICIENCY
Increases in production, use, and exports of green energy
Increases in companies providing green energy products and services
Increases in jobs in green energy companies
Growth of green energy use as a share of total energy use
Become recognized leader in green energy in a way that attracts national and international attention, investment, and other benefits (e.g., ecotourism)
Increasing use of local incentives for energy efficiency improvements (e.g., utility, Homestar, Pace loans, energy efficient mortgages)
Growing pool of contractors and workforce certified to do energy efficiency retrofits

PRIORITY STRATEGIES

GREEN ENERGY & ENERGY EFFICIENCY

Create a "Green Energy Team" to expedite resolution of issues affecting approval of green energy production projects, beginning with two solar projects currently in process

Green Energy Team promotes the County as a center of green energy production, developing local and attracting outside investors, companies, and talent.

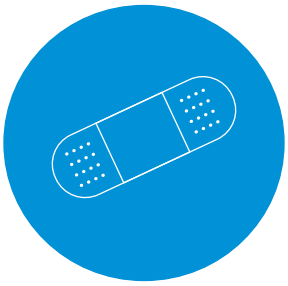
Green Energy Team encourages green financing to develop, package, and publicize incentives for energy efficiency upgrades (e.g., floating of bonds, local bank support/packages, utility incentives, public procurement, etc.)

Green Energy Team works with local institutions to expand local education and training that prepares local talent for green energy employment in installations and maintenance.

IMPLEMENTATION ACTIONS

FIRST STEPS/EARLY WINS

1. Assemble team and focus on expediting resolution of issues affecting approval of current green energy projects
2. Interview green energy companies to profile them, understand their reasons for locating in SLO County, and identify common needs to be addressed
3. Develop clear statement of SLO County as a green energy center, with value to local residents and outside world.
4. Take first steps in promoting/showcasing County as a green leader (e.g., a package of materials, media placements, spotlighting green projects)
5. Develop framework and letters of intent between Green Energy Team employers and Cal Poly and Cuesta College focused on specific education and training for key positions
6. Increase by 10-20 the number of local contractors certified to participate in energy efficiency retrofits
7. Launch a green financing initiative that documents existing incentives/programs and markets them to residential and commercial sectors.



Health Services

Cluster Champions

DR. AHMAD AMIR, M.D.
Pacific Eye Surgeons

JILL BOLSTER-WHITE
Transitions Mental Health

DR. RENE BRAVO, M.D.
Bravo Pediatrics

DR. CRAIG CANFIELD, M.D., Urology Associates of San Luis Obispo

RON CASTLE
Community Health Centers of the Central Coast

RICK CASTRO
Arroyo Grande Community Hospital

JASON CHANG
Twin Cities Community Hospital

CARLYN CHRISTIANSON
Coastal Anesthes. Medical

JOLIE DITMORE
Central Coast Pathology

CONNIE FRAMBERGER
Framberger Employee Benefits & Insurance Services

DR. KEN FRIEDMANN, M.D., Urology Associates of San Luis Obispo

DR. PAUL GEORGHIOU, M.D.

DR. STEVEN GOODMAN, M.D., Cuesta Medical Group

DR. TOM HALE, M.D.
C. Coast Emergency Phys.

PAM HEATHERINGTON
Central Coast Orthopedic Medical Group

KEN HRITZ
French Hospital Medical Center

FRANK KELTON
San Luis Ambulance

DR. PHILLIP KISSEL, M.D.

DEBBIE LANDRUM
Atascadero State Hospital

RICK LYON
Twin Cities Comm. Hospital

CANDY MARKWITH
Sierra Vista Regional Medical Center

FRANK MATEO
Southern California Gas Company

LAURA MURPHY
Morris & Garritano

DR. BRIAN ROBERTS, M.D., Med Stop Urgent Care

KELLY SANDERS
SLO Sports Therapy

BOB SAYERS
Medical Management Strategies

MARSHA SCOTT
Cuesta College Nursing Program

DARREN SMITH
Compass Health

BIZ STEINBERG
Community Action Partnership

DR. FRED VERNACCHIA, M.D., San Luis Diagn. Center

MARK WOLPERT
Compass Health

KRISTEN YETTER
Promega Biosciences

Please contact EVC about joining this group.

Health Services Action Plan

PRIORITY OUTCOMES

INCREASE USE OF LOCAL HEALTH CARE SERVICES AND SPECIALTIES

Increase in local residents' use of local health care services (e.g., possible measures include: annual number of cancer diagnoses countywide compared to annual number of patients receiving treatment within County; annual number of procedures completed locally that have traditionally been done at outside region).

Increase in reimbursement rate (from rural to urban classification), which helps attract more specialists and expand local health service cluster.

COUNTY BECOMES LEADING WELLNESS DESTINATION

Increase in the volume and diversity of wellness services in the County

Increase in the connectivity across different levels and elements of the local health care system, as well as related social support, active senior housing, and other elements supporting the vision of the County as a leading wellness destination.

Growing recognition outside the County that the area is a prime wellness destination, especially among active baby boomer retirees.

Improving health outcomes among local population due to County's commitment to be a wellness destination and meet the diverse needs of its population with a strong network of health and other services.

PRIORITY STRATEGIES

Launch a community education initiative that would (1) compile a comprehensive database describing the range of services and specialties that currently exist in the County, (2) inform the general public about the quality and accessibility of local specialties, (3) educate key individuals that can influence the choice of using local or outside specialties (e.g., employers, primary care/referring doctors), (4) create and host a widely accessible referral network of local specialties.

Create a wellness network, linking partners in a unified approach to (1) develop materials and market the County as a wellness destination, including hosting wellness related conferences, (2) coordinate the use of health information technology to link services into a wellness continuum, (3) encourage integration of wellness into existing services and promote the development of additional components necessary to becoming a wellness destination (e.g., housing, social support, active lifestyle services).

Create an advocacy coalition to change the County's reimbursement rate from a rural to an urban classification, working with other clusters in San Luis Obispo County and other California counties in similar situations.

Health Services Action Plan

IMPLEMENTATION ACTIONS

FIRST STEPS/EARLY WINS

Community Education Initiative

1. Define usage measures for local health care services, establishing baseline for local residents and identifying level and type of services sought outside County.
2. Establish database of current physician and facility credentials and qualifications, including information on diagnoses and treatments done locally
3. Package and disseminate information widely to local residents and referring professionals (i.e., create website/clearinghouse, highlight health care segment regularly in media, launch collaborative community education campaign to promote local services.

Wellness Network

1. Define "wellness/prevention/active lifestyle" vision and potential for San Luis Obispo County (a concise, "elevator speech" to share widely).
2. Create a broad-based coalition of wellness service providers and supporters (including health services, social support, housing developers, etc.), compiling an inventory of diverse services and support currently available.
3. Develop brand and messaging for wellness, and initial set of promotional materials for use inside and outside the County (e.g., identify wellness "ambassadors" who promote/educate, drive wellness message in schools)
4. Explore potential partnership on electronic medical records to support connections among elements of system.

Advocacy Coalition on Reimbursement Rates

1. Organize a local coalition and develop a concise case for changing reimbursement rates, including why the change will benefit other clusters in the County (e.g., reduce shortage of primary care doctors, etc.).
2. Host a session with the other clusters to secure support for rate change and work with local elected officials to advocate a solution.
3. Reach out to other counties in a similar reimbursement rate situation to develop cross-county advocacy initiative.

Knowledge and Innovation Services

Cluster Champions

LIZ ALFLEN
IQMS

BILL BORGSMILLER
Aviation Consultants, Inc.

MAC BRINTON
InfoGard Laboratories

JEFF BUCKINGHAM
Blue Rooster Telecom

BRIAN CLAUSEN
Shopatron

DENNIS CLEVENGER
Clever Concepts

JAMES COOK
First Solar

DAVE COX
Barnett Cox & Associates

ROBERT CROCKETT
Proof of Concept

JIM DUNNING
Cal Poly State Univ C3RP

GORDON EDMONDS
Gateworks Corporation

JOSH ERDMAN
Digital Foundation

ERIC ERNSTROM
The Parable Group

JOHN EWAN
Pacific Energy

HELIO FIALHO
Auspient

SAMUEL GILSTRAP
Asset Logic Group

ED HEINBOCKLE
Visual Purple

ROB HOPE
San Luis Tech Consultants

BRANDEN JENKINS
Retail Anywhere

MARK JOHNSON
SRI International

JEREMY LADUQUE
Elements

RICK LONDON
United Way of SLO County

JAMIE MAGON
Promotional Concepts

JUNE MCIVOR, Sinsheimer, Juhnke, Lebens & McIvor

ALEX MINICUCCI
SMS Masterminds

MUHAMMAD NOORI
Cal Poly College of Engin.

B. K. RICHARD
retired aerospace executive

LONNY ROLLINS
Innovative Concepts

MIKE SILACCI
AT&T

CHRIS SMITH
CygNet Software

RICK STOLLMEYER
Mind Body

GIL STORK
Cuesta College

CURT VAN INWEGEN
Level Studios

KYLE WIENS
iFixit

TIM WILLIAMS
Digital West Networks

Please contact EVC about joining this group.

Knowledge and Innovation Services Action Plan

PRIORITY OUTCOMES

AWARENESS OF KNOWLEDGE AND INNOVATION SERVICES CLUSTER

Increase in awareness of cluster employment opportunities among local residents, Cal Poly students and graduates, "trailing spouses", and outside talent

Increase in brand awareness of the knowledge and innovation cluster, including the range of expertise, companies, products and services located in San Luis Obispo County

Creation of a convener of cluster companies, enabling greater collaboration among companies to pursue business opportunities, address shared challenges, and collaborate with community partners to address challenges (e.g., workforce, access to global markets, access to capital, awareness-building)

ACCESS TO GLOBAL COMMUNICATIONS NETWORKS TO PROMOTE EXPORTS

Full inventory and description of the County's broadband infrastructure is completed

Increase in cluster company access to the County's unique fiber optic "beach head" to Asia

Increase in the number of wired buildings (100 mbps or greater) that house cluster companies

Increase in global exports of knowledge and innovation services due to improved connectivity to outside markets

COLLABORATION WITH THE COMMUNITY

Growing involvement of the academic community in helping cluster companies as measured by (1) amount of assistance to start-ups, (2) number of students working collaboratively on projects for cluster companies, (3) number of faculty engaged in projects with local companies, (4) growing cluster company presence in Cal Poly Tech Park, (5) expansion of degree and certificate programs, contract education, and transfer agreements to prepare local residents for jobs and career advancement with cluster companies.

Growing number of public sector sponsored "test beds" that provide an opportunity for local companies to demonstrate new products and services (e.g., electronic government records, electronic permitting process, mobile electronic building inspection, smart grid, health information exchange), resulting in both productivity improvements and other positive impacts for government sponsors and new business opportunities for cluster companies.

Knowledge and Innovation Services Action Plan

PRIORITY STRATEGIES

CREATE A KNOWLEDGE AND INNOVATION CLUSTER NETWORK TO ACT AS A FOCAL POINT FOR CLUSTER COMPANIES TO COME TOGETHER TO:

Build awareness of the cluster through a new website that includes profiles of local business leaders and companies, products, and services; a news feed about local companies; an online job board; and an external marketing package to reach and inform companies and talent outside the County.

Develop an agreement with Cal Poly to hold a first-ever knowledge and innovation cluster forum to define and launch specific partnerships among companies, faculty, and students, establish a clear access point at the University for cluster companies, and commit to annual summits to sustain and grow partnerships.

Develop an agreement with Cuesta College to make greater use of the College's Entrepreneurship Center for new/small cluster companies.

Expand access to global networks through a fiber optic "beachhead" access project, building off current efforts focused on three facilities.

Launch an innovation test bed initiative, matching local governments/agencies/companies with local teams of cluster companies to identify and establish test beds for specific applications.

Knowledge and Innovation Services Action Plan

IMPLEMENTATION ACTIONS

FIRST STEPS/EARLY WINS

Build Cluster Awareness

1. Create a network of local cluster companies, defining a role that complements existing CEO roundtables.
2. Develop a website to profile local businesses, products, and services, and employment opportunities, leveraging and linking from existing sites.
3. Use network to drive website content and support; identify common needs (e.g., key skill sets); organize marketing (including local media articles); seek out alumni (Cal Poly, local high schools) who want to stay or return to County; and reach out to current high school students about careers in the cluster.

Negotiate Agreements with Cal Poly and Cuesta College

1. Create team to establish framework and organize specific partnerships with Cal Poly, securing a key point of contact and collaboration at the University. Explore interest of Specialized Manufacturing Cluster to join the team.
2. Negotiate agreement to hold Innovation Conference to showcase local companies and University capabilities, including a Local Company Job Fair.
3. Form and launch intern/work experience/mentor program with Cal Poly, and work with engineering and business faculty to identify student projects with cluster companies.
4. Create team to work with Cuesta College Entrepreneurship Center, with at least 3 cluster companies referred to the Center to improve operations, products, etc.

Fiber Optic Beach Head Access

1. Complete broadband identification project
2. Determine next steps, and organize cluster companies with community partners to take action.

Innovation Test Bed Initiative

1. Create team to explore potential test bed opportunities (e.g., a health information exchange project with the health services cluster, mobile electronic building inspection, wireless lab at Cal Poly Tech Park, local web/access control companies and TSA improve airport access for out of town pilots, County electronic permitting processes, and County electronic recording)
2. Launch one or more test bed projects in 2011.

Specialized Manufacturing

Cluster Champions

THOMAS AKERS
AeroMech Engineering

RON ALERS
Sonic Sensors

RODNEY BABCOCK
Next Intent

STEVEN BURT
FzioMed

RODNEY CEGELSKI
Accessories Marketing

CHRIS CONNORS
Zurn Wilkins

BILL DENZEL
Xcelaero

DUSTIN HEON
Accuair

RODNEY IDLER
Atmospheric Water Systems

MARK INGERSOLL
DeRoyal Industries

LEE JOHNSON
Collaboration LLC

TIM JOHNSON
SAES Pure Gas

KEVIN KUHN
Joslyn Sunbank

PAT LAWLESS
Xcelaero

KEVIN MEYER
Specialty Silicone Fabricators

BRIAN MILLER
Maglio

RANDAL MOOS
Atmospheric Water Systems

TOM NUCKOLS
Voler

JOEL PETERSON
Del Ozone

KEN PETTIT
Big Images

TIM PRICE
Applied Technologies Assoc.

TY SAFRENO
Trust Automation

JEFF STAPLES
Ground Control

CAMERON TAPP
Clear Water Tech

JEFF WADE
Fleet Management Solutions

GUY WELLS
Hot Chillys

JAMES WHITE
APT Water

KAREN WOODLING
The Spice Hunter

Please contact EVC about joining this group.

Specialized Manufacturing Action Plan

PRIORITY OUTCOMES

BETTER ATTRACTION AND RETENTION OF TALENT

Increase in understanding of employment opportunities in specialized manufacturing, and appreciation for what cluster contributes to the economic vitality in the County

Increase in retention of Cal Poly graduates, employing them at local specialized manufacturing companies

Reduction of relocation expenses, with the need to import less talent from outside County

Increase in relocations to the County without extra compensation

Decrease in the time to fill job openings

Improving competitiveness on affordability compared to similar regions

BETTER CLIMATE FOR FACILITY IMPROVEMENTS

Increase speed for making facility changes to meet shifting market conditions (e.g., decrease number of days from application to approval of permits)

Increase pre-approved and close-to-approved acreage, development parks, or special zones for new buildings

BETTER CLUSTER RESULTS

Increase income, jobs, and exports of the County's specialized manufacturing cluster

Increase base of local suppliers, retain existing firms, and grow new entrepreneurial companies in the cluster

Specialized Manufacturing Action Plan

PRIORITY STRATEGIES

LAUNCH SPECIALIZED MANUFACTURING FORUM, focusing on the following priorities:

Host regular company-to-company exchanges to share experiences, effective business strategies, lessons learned, and common issues; identify business assistance resources (funding, exports, communications, human resources) and quality suppliers; and forge mutually-beneficial business partnerships
Launch funder education strategy to raise awareness of investment opportunities with local firms and help establish the County's identity as an attractive specialized manufacturing location (work with local banks, educate outside lenders about the cluster).
Educate the broader community (including city and county officials, and the general public) about specialized manufacturing and its value to the County's economic vitality (e.g., tax revenues, customer visitors, employee spending on goods and services, well-paying jobs, etc.).
Accelerate permitting for facility modifications and new facilities by (1) sharing expertise in manufacturing techniques to help assess possible process improvements, (2) developing a faster permitting option for facility modifications when they meet pre-defined criteria, and (3) encouraging the creation of technology parks or zones that are pre-approved for development.
Improve the local talent pipeline for the cluster by (1) using the Exchange to promote job opportunities, (2) working with Cal Poly to link students/graduates with local job opportunities (e.g., first day is local employer day at career fairs), (3) visiting local high schools to make students aware of career options in the cluster, and (4) collaborating with Cuesta College and Cal Poly to develop offerings in lean manufacturing useful to the diversity of firms in the cluster.

IMPLEMENTATION ACTIONS

FIRST STEPS/EARLY WINS

Forum for Company-to-Company Exchange

1. Determine structure of Forum (e.g., membership criteria, meeting frequency, schedule, etc.)
2. Establish Forum with website including meeting schedule, online topic discussion, job posting links, profiles/links of local specialized manufacturers
3. Establish a presentation format to share experiences, business strategies, and common issues (e.g., Guy Kawasaki model of 10 slides/20 minutes/30 point font)
4. Launch first company-to-company exchange sessions

Funder Education Strategy

1. Create cluster-focused presentation package for investment funding community, highlighting businesses, markets served, innovations, growth histories, and "networked" capabilities
2. Distribute presentation package widely to cluster employers and local financial institutions, and conduct briefings for local funders and explore hosting meeting for potential outside funders

Community Education Strategy

1. Publicize existing information about cluster (e.g., EVC analysis of cluster growth, jobs)
2. Collect additional information from cluster companies about economic impacts, including payrolls, local purchasing, local taxes, and the like
3. Develop overall cluster message and promotional package
4. Begin first phase of long-term education strategy, with inserts into local papers showcasing companies, products, and to the community

Facility Permitting Team

1. Create team to support County's Process Improvement Committee, providing focused input on cluster priorities and offering process improvement expertise.
2. Team also works with public sector to focus on longer-term options such as a technology park or zone.

Talent Pipeline Strategy

1. Establish working group with Cal Poly and Cuesta College focused on retaining graduates and impacting education and training
2. Get approval for Cal Poly local company career fair by 12/31/10. Explore partnership with Knowledge and Innovation cluster on career fair with Cal Poly.
3. Hold local company career fair in early 2011
4. Working group also works with Cal Poly and Cuesta College to identify specific changes in curriculum and programming helpful to specialized manufacturing.

Uniquely San Luis Obispo County

Cluster Champions

JUSTIN BALDWIN
Justin Vineyards & Winery

MELANIE BLAKENSHIP
Nature's Touch Nursery & Harvest

JIM BRABECK
Farm Supply Company

DON BRADY
Robert Hall Winery

ALISON RUSH CARSCADEN
15 Degrees C

MIKE CASOLA
Boutique Hotel Collection

PAUL CLARK
Grower/Attorney

JACKIE CRABB
SLO County Farm Bureau

CHERYL CUMING
County Tourism B.I.D.

CHRIS DARWAY
Darway Family Farms

STEVE DAVIS
Stafford- McCarty Commercial Real Estate

RAY FIELDS
The Abalone Farm

HUNTER FRANCIS
Cal Poly State University

NICK FRANC
State Parks, Hearst Castle

RICHARD GONZALES
Gonzales Ranch

MIKE HANCHETT
Best Western Cavalier

STEVEN HARDING
Rabobank, N.A.

PAUL HOOVER
Still Waters Vineyards

TOM IKEDA
Ikeda Brothers

JOHN KANEY
Kaney Foods

JOHN KING
Boutique Hotel Collection

DEE LACEY
Ag Liaison Advisory Board

PATRICK MAHAN
Fun Ride

NOREEN MARTIN
Martin Resorts

SUSAN MCDONALD
Hearst Ranch

DANA MERRILL
Mesa Vineyard Management, Pomar Junction Vineyard

CHARLIE MEYERS
Big Sky Cafe

KRIS O'CONNOR
Central Coast Vineyard Team

BRUCE RAY
The Tribune

GALEN RICARD
Cal Poly CAFES Center for Sustainability

VIVIAN ROBERTSON
Paso Robles Event Center

CHARLENE ROSALES
United Way of SLO

MARK SHAFFER
Fun Ride

JOHN SORGENFREI
TJA Advertising

JOHN SUMMER
SLO County Visitors Bureau

RICK TOYOTA
Niner Wine Estates

NIELS UDSEN
Castoro Cellars

Please contact EVC about joining this group.

Uniquely San Luis Obispo County Action Plan

PRIORITY OUTCOMES

INCREASING AWARENESS AND SUPPORT OF CLUSTER

Increase in awareness of the full range of cluster assets within County among residents, governments, businesses, as well as among potential tourists outside the County

Increase in support for the cluster among local residents and public officials due to better understanding of the cluster's multiple benefits (e.g., quality of life amenities for residents and talent for other industry clusters, tourist spending that helps fund local jurisdictions, job creation)

Increase in supportive policies in local jurisdictions and alignment across government agencies (e.g., water resource planning for agriculture, permitting that enables value-added wine industry investment, ordinances that enable ag-tourism and local sales, and land use planning to promote value-added agriculture such as olive oil, you-pick farms, cheese, etc.)

INCREASING DIVERSITY AND CONNECTION OF SPECIALITIES

Increase in unique agricultural products, ag-tourism offerings, and other specialties

Increase in packaging of multiple specialties into unique SLO County experiences (e.g., connecting wine, food, entertainment, cultural, educational, environmental, recreational assets in different combinations)

Increase in events with local interest marketed outside the area, resulting in more people traveling to the County and more local residents venturing outside their immediate community to participate.

INCREASING CLUSTER VITALITY AND COMMUNITY CONTRIBUTIONS

Increase in occupancy rates, deplanements, entrance into state parks

Increase in visitor length of stay

Increase in average spending per visitor

Increase in sales of local products in local restaurants, retail outlets, schools, hospitals, etc.

Increase in tourism driven revenues for local jurisdictions

Uniquely San Luis Obispo County Action Plan

PRIORITY STRATEGIES

Expand Countywide funding to promote the Uniquely SLO County cluster. This sustainable funding mechanism or arrangement could involve: consistent and expanded countywide tourism funding through annual contributions from community BIDs, greater participation of all lodging entities into BIDs or VCB, or other models.

Launch a unified, Countywide branding and marketing campaign that (1) inventories the full range of cluster specialties, (2) promotes the concept of the "SLO County Experience" by describing and connecting diverse assets, and (3) supports collaborative events (e.g., Savor) that showcase the County's assets.

Launch a parallel community awareness campaign that educates five groups (general public, policymakers, other clusters, potential opponents, our own employees) about the value of the cluster to the County's economic vitality and quality of life.

Promote local policy changes that support individual specialties and combinations of specialties, including (1) less restrictive rules on events and local sales to promote ag-tourism, and (2) more flexibility for value-added improvements including ag processing and winery development.

IMPLEMENTATION ACTIONS

FIRST STEPS/EARLY WINS

Collaborative Countywide Funding Strategy

1. Create collaborative and sustainable funding structure under Visitors and Convention Bureau (VCB) umbrella, building on the Savor San Luis Obispo County model and the emerging BID co-op program
2. Develop broad base of initial funding commitments from government, business, labor, and other parties
3. Use initial funding commitments to launch unified countywide marketing campaign (see below)

Unified Countywide Marketing Campaign

1. Incorporate County brand into local marketing efforts/materials, working with BID Alliance, to begin to promote connections
2. Inventory/identify the full range of regional specialties, and share information widely, facilitating connections and packaging of specialties
3. Develop a "sustainable" Savor San Luis Obispo County model: from event to strategy of connecting and showcasing local specialties. Involve local marketing firms in development of an overall strategy
4. Launch first stage of campaign in 2011

IMPLEMENTATION ACTIONS

FIRST STEPS/EARLY WINS

Community Awareness Initiative

1. Summarize and package data on economic impacts of Savor San Luis Obispo County as a specific example of the multiple benefits of the cluster to the community
2. Build team to carry message about value of the cluster to all parts of the County, including the VCB, cluster businesses, labor, employers in other clusters, chambers, BIDs, etc.

Promote Local Policy Changes

1. Advocate for package of amendments to agricultural tourism ordinances
2. Identify other policies that could help promote and connect regional specialties (e.g., improved permitting process for value-added agricultural processing, funding or tax incentives to reward packaging of specialties, signage)

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