

Focusing Economic Development Efforts in Greensboro

ACTION GREENSBORO

Final Report Presentation

September 27, 2001

BACKGROUND AND CONTEXT

Since the launch of the discussion report in November 2000, Action Greensboro has harnessed the energy of the community and has made considerable strides in capturing the time and effort of a spectrum of participants, from public company CEOs to grassroots volunteers. However, over the same period the local and national economy has deteriorated more rapidly than expected. The worsening economic climate, combined with the emerging community focus from Action Greensboro, has created an opportunity for Greensboro to focus on key activities in economic development and to align the relevant organizations accordingly. At the request of Action Greensboro, and with the support of the economic development agencies, McKinsey & Company is working as a strategic partner in assessing ways of increasing the effectiveness of economic development efforts, consistent with the new community priorities that Action Greensboro seeks to catalyze.

As in the previous study and consistent with the mandates of the foundations behind Action Greensboro, our geographic focus is the greater Greensboro area. We looked at the economic development agencies and actors listed by the foundations as the relevant sample for our analysis, and depended on each agency to provide the data necessary for the project. Finally, we focused mainly on private sector actors, only including public actors such as the city in areas that proved relevant to both the geographic and economic development focus of our work.

TEAM ACTIVITY

Interviews

Agencies

- Chamber of Commerce
- City of Greensboro
- Convention and Visitors Bureau (CVB)
- Downtown Greensboro, Inc. (DGI)
- East Market Street Development Corporation (EMS)
- Forward Guilford (FG)
- Greensboro Development Corporation (GDC)
- Greensboro Business Center (GBC)
- Greensboro Merchants Association (GMA)
- Piedmont Triad Partnership (PTP)
- Southeast Economic Developments (SEEDS)

Board members

CEOs

Others

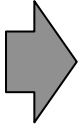
- Action Greensboro

Analyses

- Membership information
- Budgets
- Missions
- Spending priority breakdown

Over 30 interviews

EXECUTIVE SUMMARY



- Strong economic development efforts should be supported by streamlined, efficient organizational structures that focus on delivering measurable results against the community's priorities
- While the agencies examined in this study spend over \$13 million annually, mission overlaps and gaps along with the lack of an overarching coordinating mechanism hinder the efficiency, accountability, and board membership of Greensboro's economic development agencies
- A "clean slate" reorganization of Greensboro's economic development effort would create one focal business services organization and an overarching coordinating mechanism for aligning the activities of all agencies and temporary initiatives
- Greensboro may want to consider a number of potential steps to begin evolving toward a more streamlined, effective structure

ECONOMIC DEVELOPMENT ORGANIZATION ATTRIBUTES

Attribute

Best practices/guiding principles

Mission and goals

- Clear, nonoverlapping mission for each economic development agency or group
- Agency missions are achievable given leadership and resources
- Agency missions in the aggregate cover all key priorities

Coordination

- Ongoing coordination mechanism sets and updates priorities and aligns agency missions accordingly
- Coordinating body ensures that agencies maintain their focus, avoid overlap, and coordinate complementary functions

Efficiency

- Similar functions and operations combined, when possible, to reduce overhead and create scale economies

Accountability

- Goals and missions are measured against performance metrics to ensure effectiveness

Strong board leadership

- Senior economic and political actors participate on agency boards, supplying time and financial resources
- Board participation has enough diversity to represent the community

CRITICAL PRIORITIES OF A COMPREHENSIVE ECONOMIC DEVELOPMENT EFFORT

Thought leadership and overall strategy setting

- Establish overall strategy and set priorities for community
- Coordinate efforts of agencies that support community priorities

New business recruitment

Retention and expansion of current business

Work force development

Business start-up assistance

Infrastructure development

Business community development

Public policy

Visitor attraction

Priority description

- Market city to outside entities to attract new businesses to the community

- Encourage job growth through retention and expansion efforts of existing businesses

- Transform fundamental skill sets of local labor pool to support new and/or higher wage job growth

- Assist business plan creation
- Incubate/accelerate the growth of new business

- Enable investment into physical infrastructure of city

- Provide networking opportunities through industry affinity groups and social events
- Enhance skills of business people through workshops and seminars

- Advocate for business interests
- Create awareness around business issues and concerns

- Attract visitors and conventions to maximize the economic impact of the community's hospitality assets

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KEY TAKE-AWAYS



Missions and goals

- The missions of several of the economic development organizations are unclear or overlap with other agencies
- Some groups lack the financial or human resources to vigorously pursue their missions
- Other groups are hampered by past organizational concerns or questions about future leadership
- A gap exists in Greensboro’s economic development effort around assistance to start-ups during the pre-incubation “concept phase”

Coordination

- Greensboro has no mechanism for setting an overarching economic development strategy or for coordinating activities across agencies

ISSUES SURROUNDING AGENCY MISSIONS

Issue	Example
• Mission in community is unclear	• Action Greensboro • Greensboro Development Corporation (GDC)
• Mission overlaps with other agencies	• Chamber of Commerce and GMA • Piedmont Triad Partnership and Forward Guilford
• Current mission may not be viable long-term	• Chamber of Commerce vis-à-vis Forward Guilford and GMA
• Agency lacks financial or human resources to vigorously pursue mission	• Downtown Greensboro Incorporated (DGI) • East Market Street Development Corporation • SEEDS
• Current credibility hampered by past issues	• Chamber of Commerce • Forward Guilford
• Questions around succession plan put mission at risk	• City of Greensboro Office of Business Development and Assistance (pending retirement of key personnel)

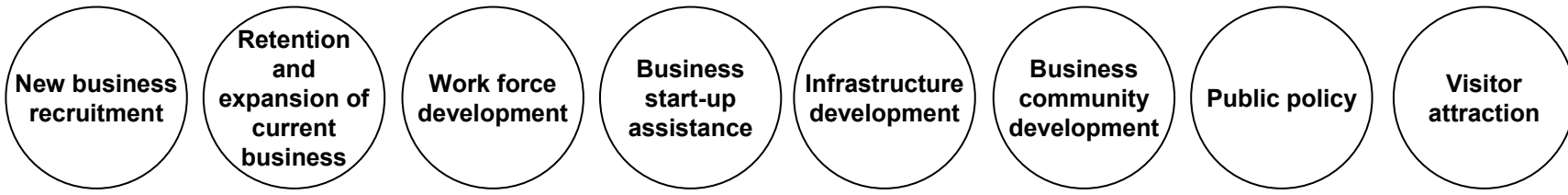
OVERLAP AND GAP ANALYSIS OF AGENCIES



Thought leadership and overall strategy setting

Current agency • None

Gaps • No formal recognized agency acting in this role, although Action Greensboro appears to be filling some of these gaps



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|-------------------------|--|--|--|--|--|---|---|---|
| Current agencies | <ul style="list-style-type: none"> • Forward Guilford • Piedmont Triad Partnership | <ul style="list-style-type: none"> • City of Greensboro • Guilford County • Forward Guilford* | <ul style="list-style-type: none"> • Forward Guilford | <ul style="list-style-type: none"> • City of Greensboro • Business Center • Chamber of Commerce | <ul style="list-style-type: none"> • Downtown Greensboro, Inc. • EMS** • City of Greensboro | <ul style="list-style-type: none"> • Chamber of Commerce • GMA • SEEDS | <ul style="list-style-type: none"> • Chamber of Commerce • GMA • SEEDS | <ul style="list-style-type: none"> • Convention and Visitor's Bureau |
|-------------------------|--|--|--|--|--|---|---|---|

Overlaps	<ul style="list-style-type: none"> • Concerns with coordination between State Department of Commerce and Forward Guilford 			<ul style="list-style-type: none"> • Territorial overlap in redevelopment effort, but working cooperatively 	<ul style="list-style-type: none"> • Significant overlap exists between GMA and Chamber 		<ul style="list-style-type: none"> • Overlapping marketing function needs to be coordinated with agencies
Gaps	<ul style="list-style-type: none"> • Aside from a few city and county tax incentives, limited effort directed here* 	<ul style="list-style-type: none"> • Limited effort from Forward Guilford • GTCC is reported to fill this role 	<ul style="list-style-type: none"> • Potential gap with concept stage of start-up (i.e., preparing a business plan) 	<ul style="list-style-type: none"> • Subscale efforts 		<ul style="list-style-type: none"> • No strong, unified voice for business 	

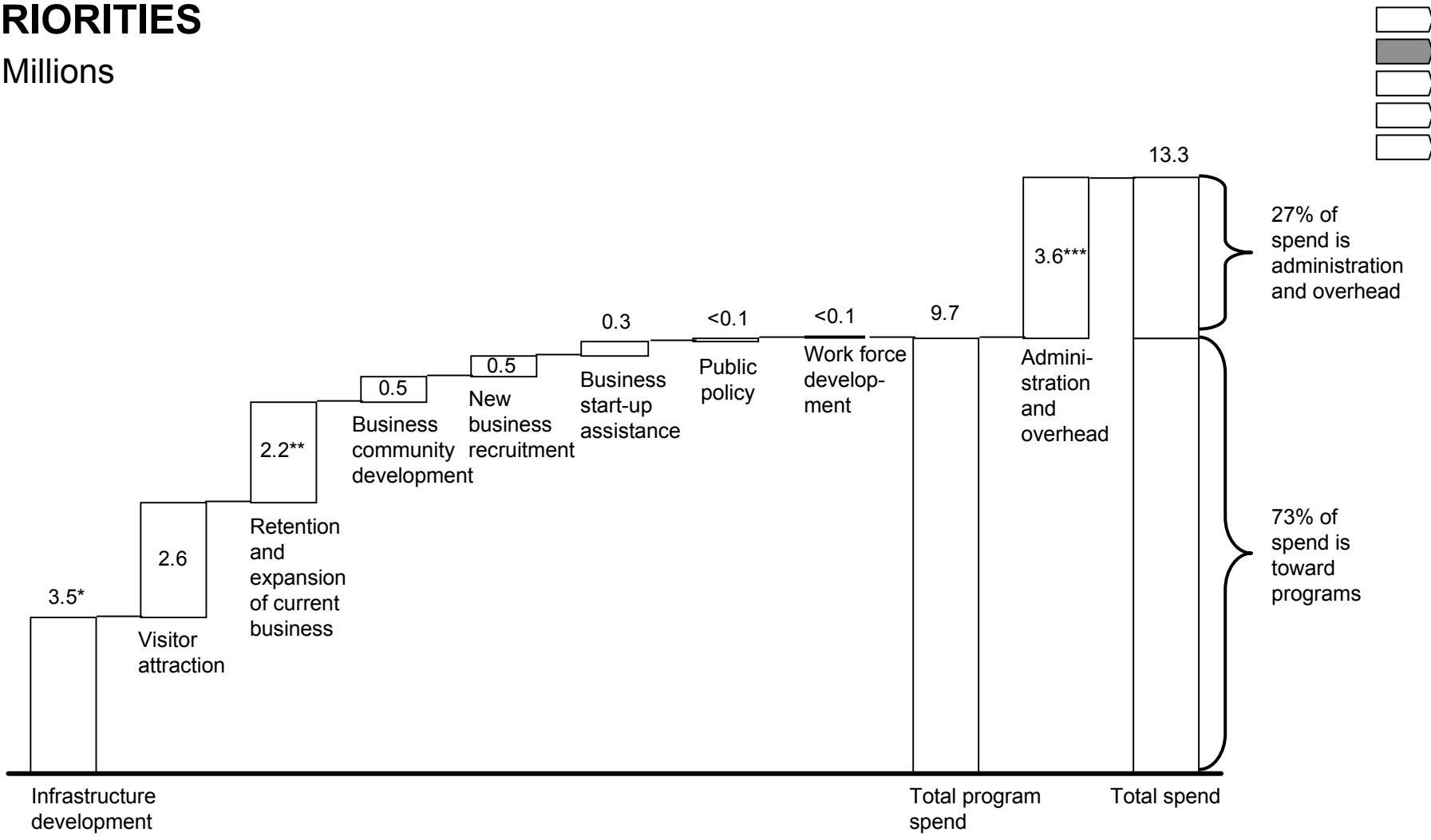
* Forward Guilford is preparing to launch Advantage Greensboro, an effort directed at retention and expansion of existing business, but its impact is yet to be determined

** East Market Street Development Corporation

COMPARISON OF ECONOMIC DEVELOPMENT SPENDING PRIORITIES

\$ Millions

ESTIMATE



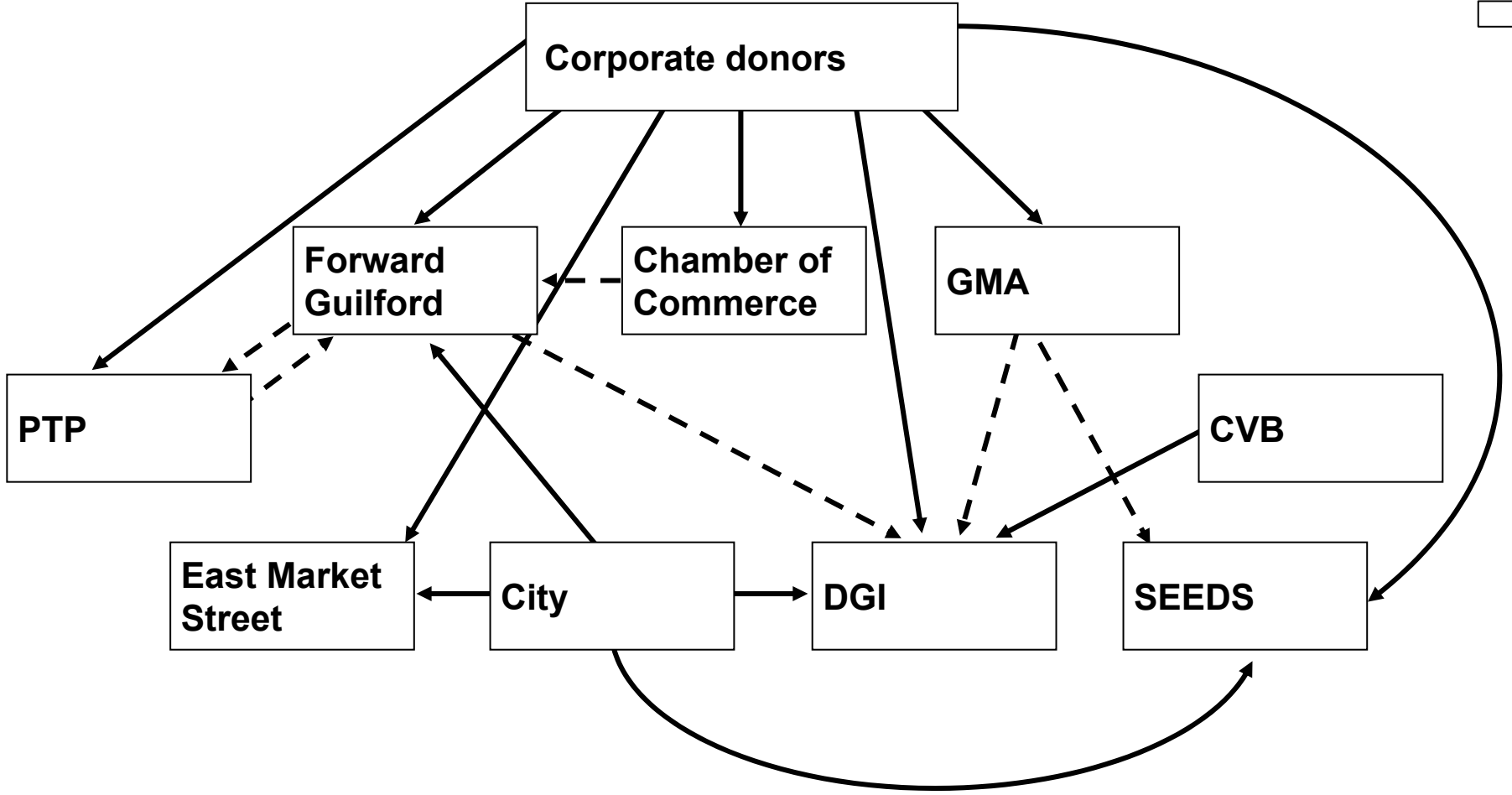
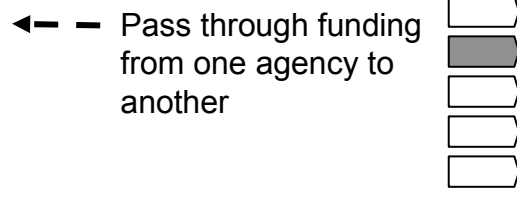
* Includes annualized funds for bonds passed for streetscape on East Market Street and city grants for efforts by Downtown Greensboro, but does not include any other government expenditures in these areas

** Tax incentives from the city and county account for \$2.1 million of this spend

*** Includes fund-raising and member recruitment expenses, administrative support, rent, utilities, and other overhead

FOLLOWING THE FLOW OF FUNDS

CONCEPTUAL



Source: Interviews with agencies and funders

KEY TAKE-AWAYS



Efficiency

- Overhead and administrative costs make up 27% of the overall economic development spend
- Several agencies devote a particularly high percentage of their budgets to overhead and administration, suggesting efficiency opportunities
- Opportunities exist to better coordinate efforts to attract new businesses and to reduce overlap around member services to existing business

Accountability

- Interviews with key business leaders point to lack of a performance-driven culture among many of Greensboro's economic development agencies

Strong board leadership

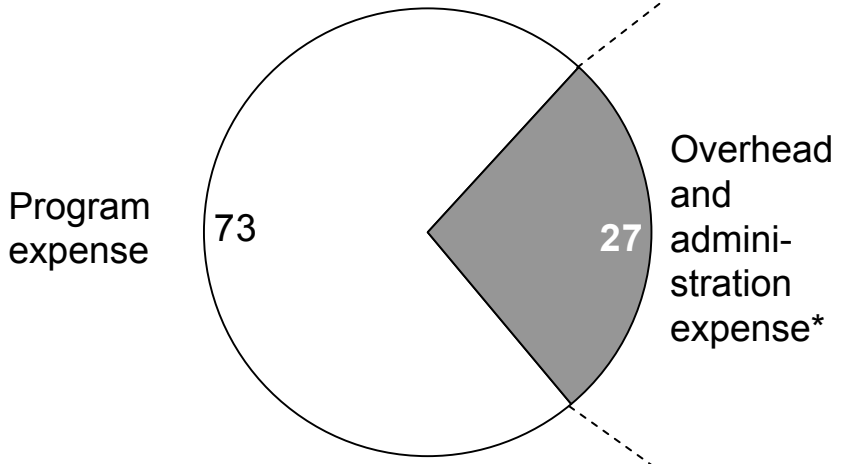
- The large number of agencies dilutes board membership and diffuses impact, discouraging the participation of key economic actors
- While progress has been made recently, board composition is not reflective of Greensboro's demographics

SHARE OF BUDGET IN ADMINISTRATIVE AND OVERHEAD COSTS

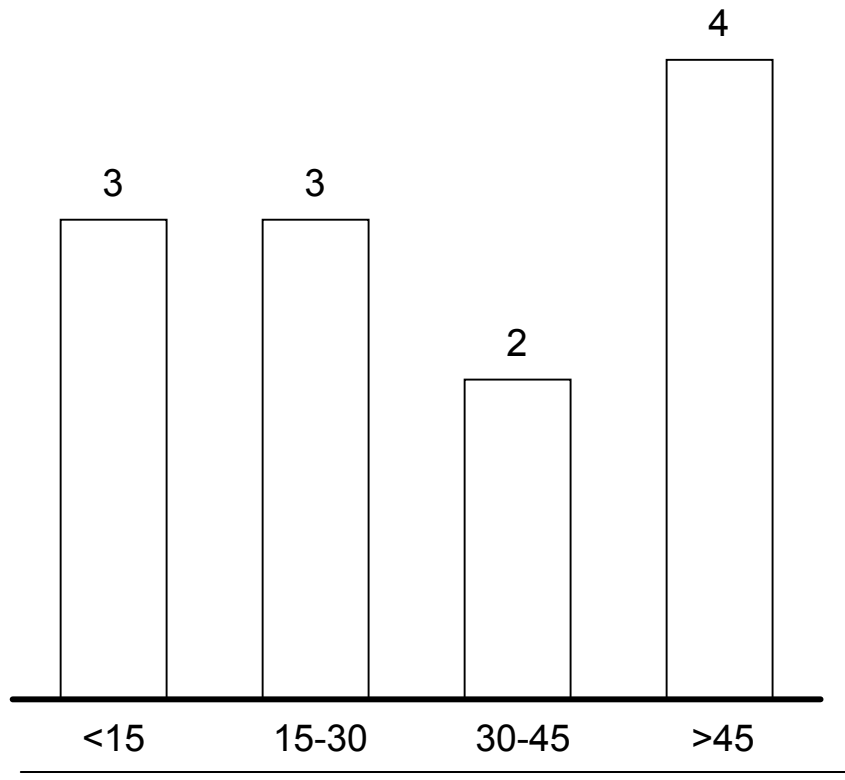
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Percent, 100% = \$13.3 million



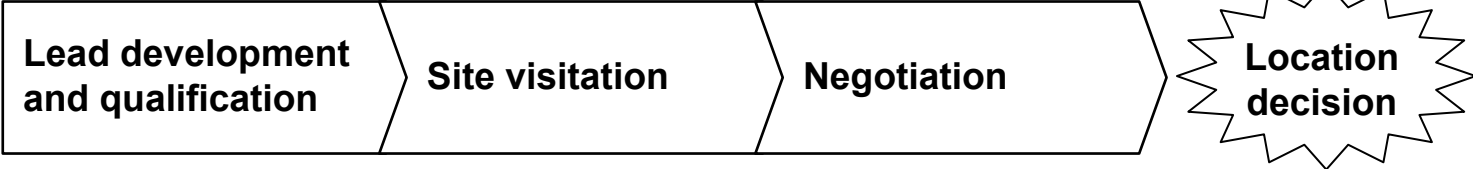
Number of agencies



Percentage of budget in administrative and overhead costs

* Includes fund-raising and member recruitment, administrative support, rent, utilities, and other overhead

NEW BUSINESS RECRUITMENT



Phase	Lead development and qualification	Site visitation	Negotiation
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Phase description	<ul style="list-style-type: none"> • Market Greensboro to external business community and site consultants • Research, site analysis, and discussion 	<ul style="list-style-type: none"> • Coordinate site visits for interested businesses • Facilitate meetings with community leaders 	<ul style="list-style-type: none"> • Negotiate tax and other economic incentives for location • Follow-up analysis and discussions
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Agencies involved	<ul style="list-style-type: none"> • Forward Guilford • Piedmont Triad Partnership (PTP) 	<ul style="list-style-type: none"> • Forward Guilford • State Department of Commerce 	<ul style="list-style-type: none"> • Forward Guilford • Guilford County • City of Greensboro
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Inter-agency coordinating mechanisms	<ul style="list-style-type: none"> • Cross representation on boards • Ongoing coordination between staff 	<ul style="list-style-type: none"> • Ongoing coordination between staff 	<ul style="list-style-type: none"> • No coordinating mechanism • City and County negotiations for tax incentives are separate
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Challenges	<ul style="list-style-type: none"> • Mission overlap between Forward Guilford and PTP requires continuous coordination to ensure consistent messages about Greensboro 	<ul style="list-style-type: none"> • Coordination levels are inadequate • Site visits cumbersome for new businesses 	<ul style="list-style-type: none"> • Businesses can pursue “divide and conquer” strategy, resulting in unnecessary tax giveaways
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COMPARING EFFORTS IN BUSINESS COMMUNITY DEVELOPMENT



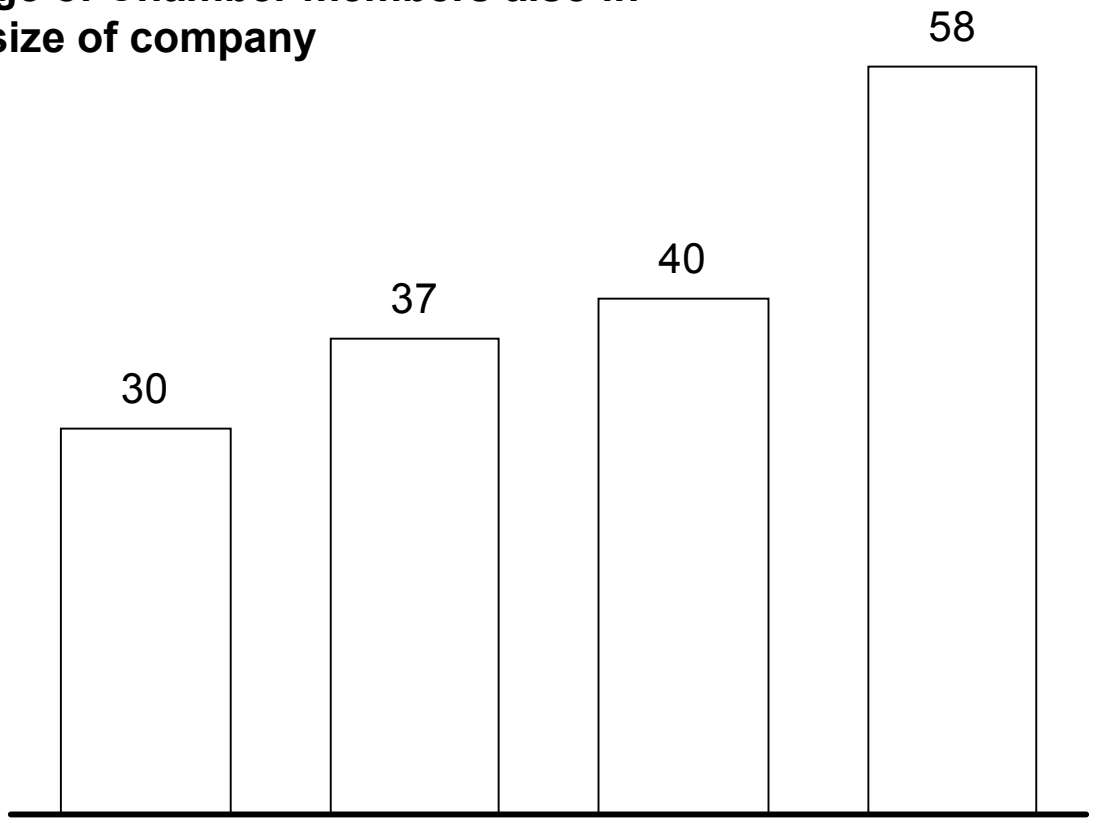
	Business seminars	Employee training	Employee recognition programs	Business advocacy	Networking and industry affinity groups
Greensboro Area Convention and Visitors Bureau		✓ – for hotel industry			
Greensboro Business Center		✓			✓
Greensboro Chamber of Commerce	✓	✓	✓	✓	✓
Greensboro Merchants Association	✓	✓	✓	Some	✓
SEEDS	✓	✓		✓	✓
Other agencies				Some	

OVERLAP IN MEMBERSHIP BETWEEN THE CHAMBER OF COMMERCE AND THE GREENSBORO MERCHANTS ASSOCIATION



Percentage of Chamber members also in GMA by size of company

Percent



- Smaller companies may not have the time or financial resources to belong to both groups
- Consolidation could simplify service delivery for larger companies and create new opportunities for smaller ones

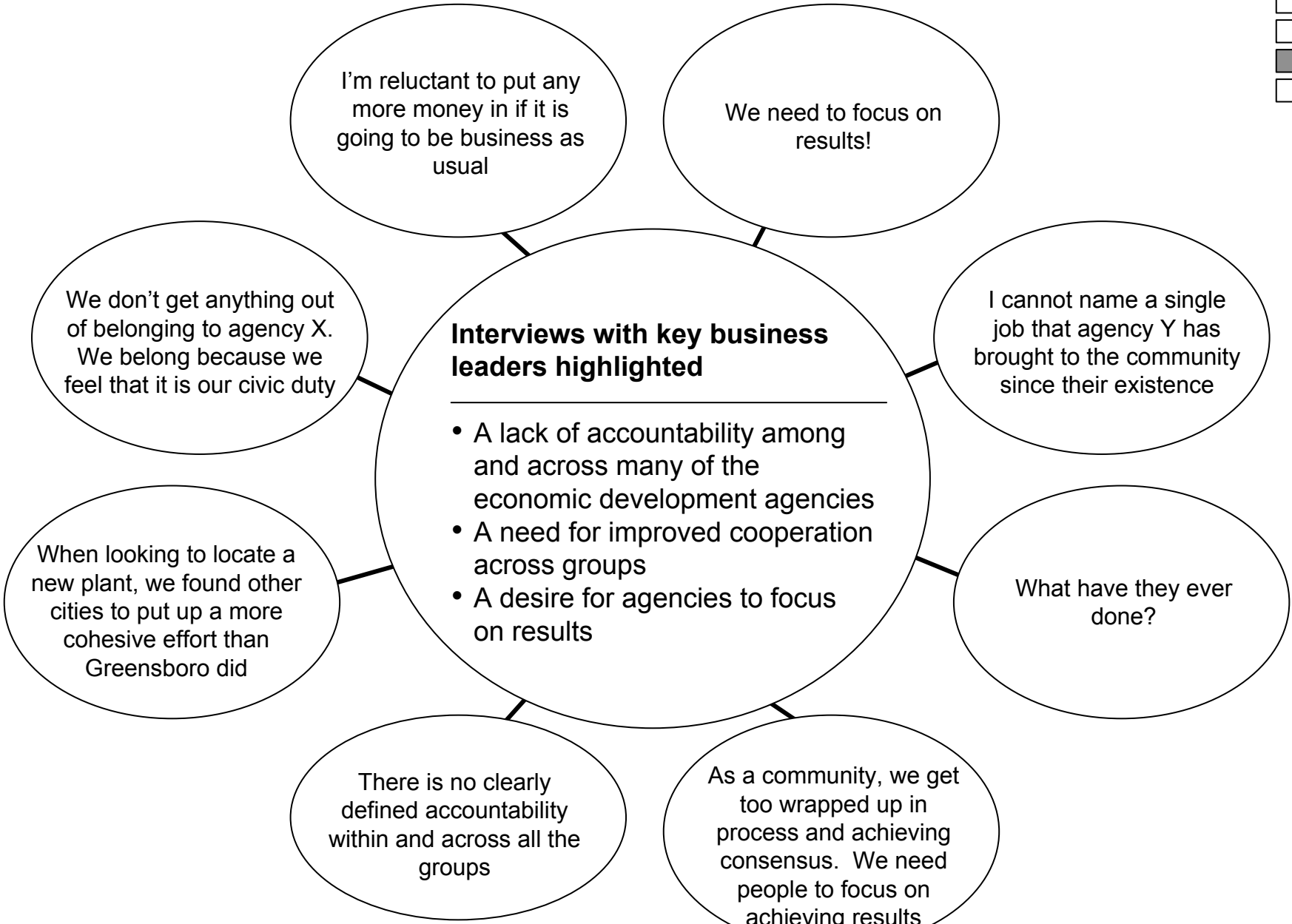
Chamber member size by number of employees

<10 Between 10 and 100 Between 100 and 1,000 >1,000

* The Chamber has 1688 members; GMA has 1258 members; 588 members belong to both the Chamber and GMA

Source: Chamber of Commerce and GMA membership lists; McKinsey analysis

COMMON QUOTES CAPTURING CONCERNS OF BUSINESS LEADERS



Source: Interviews with business leaders

BOARD PARTICIPATION BY HEADQUARTERS AND MAJOR EMPLOYERS IN GREENSBORO

CURRENT SNAPSHOT

Board participants

Major employers

National headquarters

Regional headquarters

Operational centers

- Burlington Industries
- Cone Mills Corp.
- Guilford Mills Corp.
- Jefferson-Pilot
- Lorillard
- Oakwood Homes
- RF Micro Devices
- Unifi
- VF Corporation

- Marconi
- Novartis/Syngenta
- United Healthcare
- Volvo Truck
- TIMCO

- AMEX
- AMP
- Lucent
- Proctor & Gamble
- UPS

Board participation

- Jefferson-Pilot (4)
(DGI, FG, Chamber, GMA)
- United Healthcare (2)
(FG, Chamber)
- Lorillard (1)
(EMS)
- VF Corporation (1)
(FG)
- AMEX (1)
(PTP)
- TIMCO (1)
(Chamber)

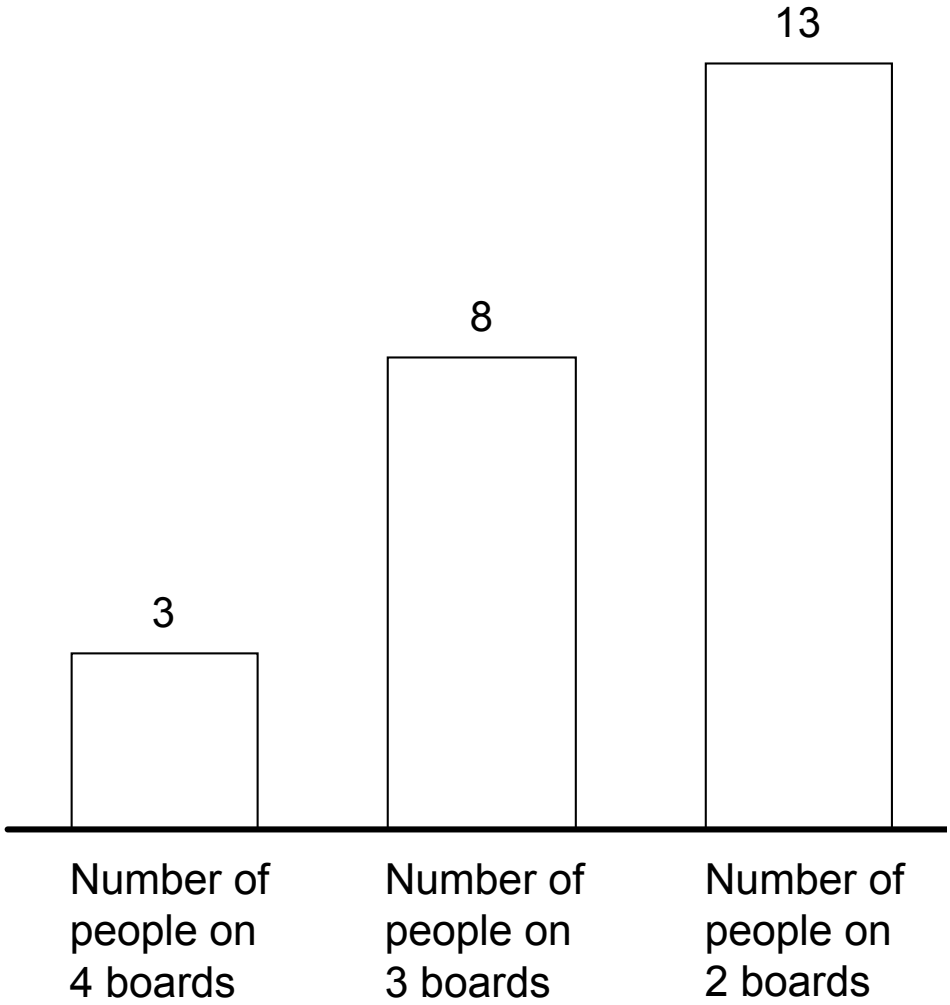
* FG = Forward Guilford, EMS = East Market Street, PTP = Piedmont Triad Partnership

** A number of key business leaders are involved in Action Greensboro

Source: Economic development agency board lists

ECONOMIC DEVELOPMENT GROUP BOARD OVERLAP

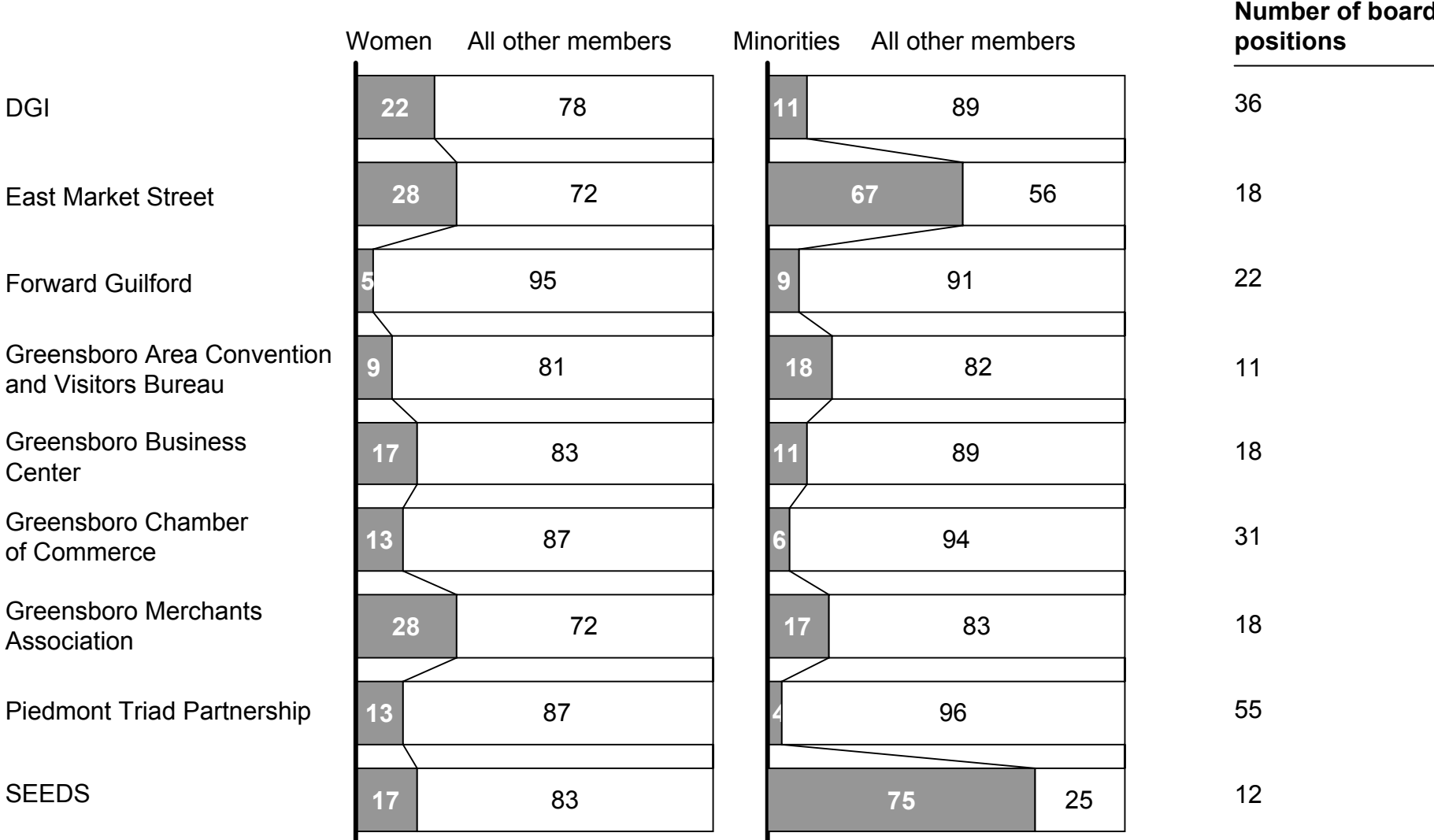
Number of people on multiple economic development group boards



* See Appendix for detail of board overlap
Source: Economic development agency board lists

WOMEN AND MINORITY REPRESENTATION ON BOARDS

Percent

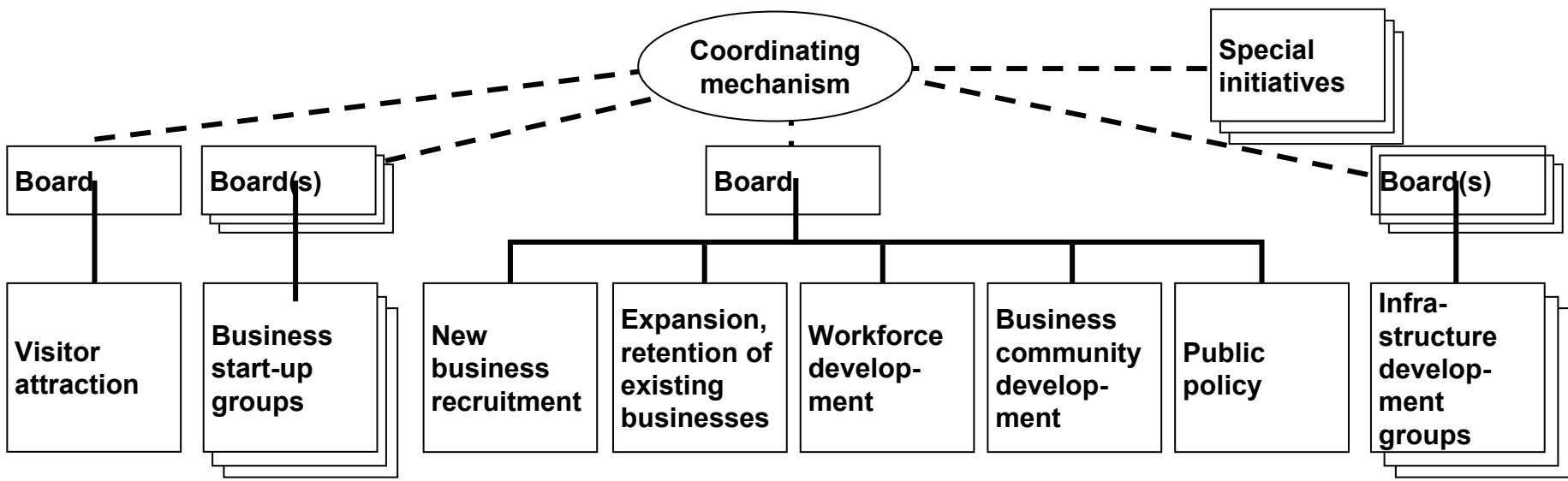


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ONE FOCAL BUSINESS SERVICES ORGANIZATION



Organizational features

- New business recruitment, expansion and retention of existing businesses, workforce development, business community development, and public policy are contained within one focal business services organization
- Separate entity for visitor attraction
- Infrastructure development and business start-up groups are separate from other business services
- Coordinating mechanism, such as a quarterly round table, convenes representatives of agencies and temporary special initiatives to promote teamwork and focus and prevent duplication

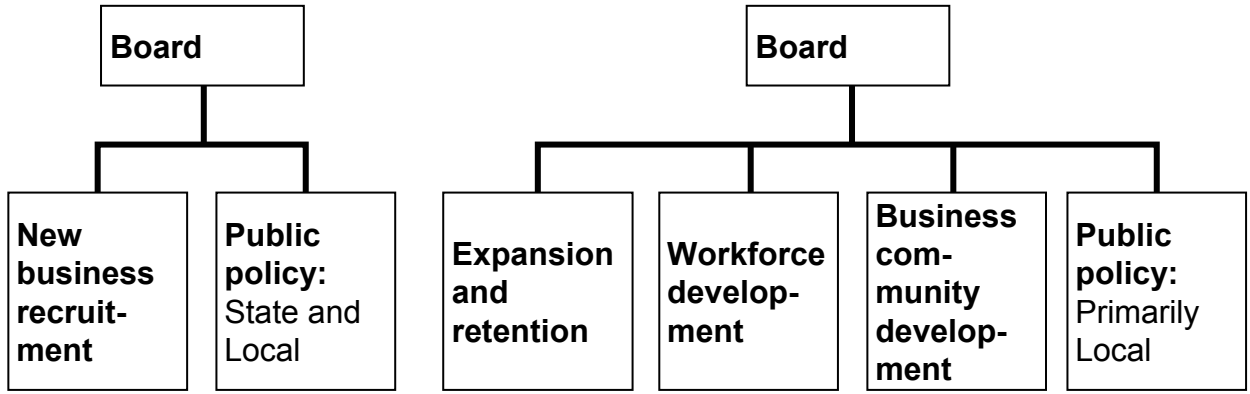
What needs to be true

- Must have strong leadership to coordinate the focal organization
- Combining economic development functions (new business recruitment, etc.) with business community development will not distract professional staff or board members from economic development
- Combining economic development and business community development under one board will encourage participation of key economic leaders
- Few operational synergies between focal business services organization and infrastructure development, business start-up assistance, and visitor attraction exist

POTENTIAL VARIANTS TO THE ONE FOCAL ORGANIZATION CONCEPT

Option 1a

Separate new business recruitment from expansion/retention, workforce development, business community, and development

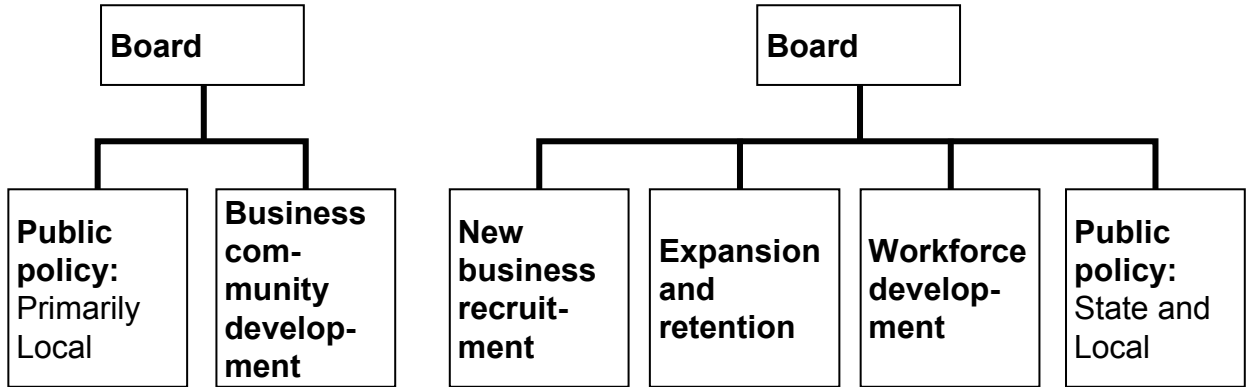


What needs to be true

- Few operational synergies between attracting new business and other economic development functions
- Separating new business attraction enhances focus and effectiveness
- Easier to attract two business leaders to run focused units than one strong leader to run a broader organization
- Separating new business recruitment does not dilute board participation


Option 1b

Create one business community development organization which is separate from the other business organizations focused on economic development



- Business customers interested in business community development are different from those primarily interested in economic development
- Separating business community development increases focus on other economic development activities without diluting boards
- Easier to attract two business leaders to run focused units

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POTENTIAL STEPS TOWARD A MORE EFFECTIVE ECONOMIC DEVELOPMENT ORGANIZATION FOR DISCUSSION

Attribute	Potential step	Action
<p>Mission and goals</p>	<ul style="list-style-type: none"> • Eliminate or refocus organizations whose role has diminished or been replaced • Define missions and goals more clearly where agency roles are not well understood • Eliminate gaps in economic development efforts 	<ul style="list-style-type: none"> • Consider dissolving Greensboro Development Corporation • Refine mission and goals of Action Greensboro and clarify its role and relationship with the economic development community as well as the specific timing of its phase out • Increase or improve assistance to entrepreneurs during the concept phase of a new business and collocate the assistance with the Greensboro Business Center
<p>Coordination</p>	<ul style="list-style-type: none"> • Establish an entity with the skills and authority to set an overarching economic development strategy for the community, set and adjust community priorities, and coordinate the activities of the various economic development efforts 	<ul style="list-style-type: none"> • Create or evolve an entity to fill this overarching role

POTENTIAL STEPS TOWARD A MORE EFFECTIVE ECONOMIC DEVELOPMENT ORGANIZATION (CONTINUED) FOR DISCUSSION

Attribute	Potential step	Action
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> Efficiency </div>	<ul style="list-style-type: none"> • Improve communication between agencies where missions are complementary and potential for overlap exists • Coordinate business recruitment “package” • Foster a new, more recognizable brand image by coordinating efforts of all agencies involved in marketing 	<ul style="list-style-type: none"> • Encourage open communication between Forward Guilford and the State Department of Commerce when new businesses are looking at the Triad area • Improve communication between city, county, and state to determine optimum level of tax incentives offered to expand existing business and attract new business • Assist Forward Guilford in tying together disparate portions of business recruitment into a coherent package for prospects and in better leveraging community resources, e.g., universities • Maximize the marketing efforts of Action Greensboro, Convention & Visitors Bureau, Forward Guilford, and the Piedmont Triad Partnership by ensuring they all encourage a consistent brand image of Greensboro. Coordination may be accomplished through a marketing council, Action Greensboro committee, or an ad hoc group

POTENTIAL STEPS TOWARD A MORE EFFECTIVE ECONOMIC DEVELOPMENT ORGANIZATION (CONTINUED) FOR DISCUSSION

Attribute	Potential step	Action
<p>Efficiency (continued)</p>	<ul style="list-style-type: none"> • Combine areas of overlapping service across agencies • Combine agencies into one location where possible to reduce share of spending devoted to administration by consolidating back office services and encourage “coffee room chats” 	<ul style="list-style-type: none"> • Consider combining the Chamber of Commerce and Greensboro Merchants Association into one agency to capture economies in membership recruitment and member services areas • Consider relocating agencies to a common location (such as the Chamber of Commerce building)
<p>Accountability</p>	<ul style="list-style-type: none"> • Improve accountability of agencies 	<ul style="list-style-type: none"> • Insist all agencies clearly define objective, measurable, and aggressive goals that are properly aligned to their missions • Have agencies regularly report progress against targets in a clear and efficient manner

POTENTIAL STEPS TOWARD A MORE EFFECTIVE ECONOMIC DEVELOPMENT ORGANIZATION (CONTINUED) FOR DISCUSSION

Attribute	Potential step	Action
<div data-bbox="28 350 347 489" style="border: 1px solid black; padding: 5px; display: inline-block;"> Strong board leadership </div>	<ul style="list-style-type: none"> • Increase participation of key economic actors by making board membership more attractive • Increase the diversity of board membership to ensure all key segments of population have a voice 	<ul style="list-style-type: none"> • Utilize energy built from Action Greensboro to encourage board participation by co-chairs in the agency in which their initiative eventually comes to rest • Consider folding Forward Guilford into a consolidated membership services organization to produce one strong “Chamber” where key business leaders, such as the core group of Action Greensboro, would want to participate on the board • Encourage key business leaders to become involved in the overall coordinating mechanism that is put in place • Actively recruit and coach ethnic minority and women candidates for board membership

POTENTIAL EFFECTIVENESS MEASURES OF ECONOMIC DEVELOPMENT ACTIVITIES

Priority	Possible effectiveness measures
Thought leadership and overall strategy setting	<ul style="list-style-type: none"> • Net new jobs • Change in average wages • New capital investment • Spend allocations vs. community priority
New business recruitment	<ul style="list-style-type: none"> • New jobs created from new, relocated businesses • Average wages of new jobs compared to average wages of existing jobs • New capital investment from new, relocated businesses
Retention and expansion of current business	<ul style="list-style-type: none"> • Net new jobs from existing business • Change in average and median wages • New capital invested from expanding existing business
Work force development	<ul style="list-style-type: none"> • Number of people placed from work force development programs • Average increase in wages for placed persons
Business start-up assistance	<ul style="list-style-type: none"> • Net new jobs created by businesses less than 3 years old • Average wages of businesses less than 3 years old • Failure rate of new businesses
Infrastructure development	<ul style="list-style-type: none"> • New capital investment in district • Growth in economic activity in district • Number of new businesses attracted to district
Business community development	<ul style="list-style-type: none"> • Membership retention • Percentage of members participating in events • Member satisfaction
Public policy	<ul style="list-style-type: none"> • Success of issues or candidates supported • Member satisfaction with lobbying efforts
Visitor attraction	<ul style="list-style-type: none"> • Hotel and convention site utilization rates • Annual economic activity from visitors

APPENDIX

- List of agencies and missions
- Overall organizational structure of the Chamber of Commerce and Forward Guilford
- Breakdown of economic development spending in Greensboro by agency
- Breakdown of economic development spending by funding source
- Membership Overlap between Chamber of Commerce and GMA
- Infrastructure Development Efforts by Agency
- Overlap in Agency Board Membership

ECONOMIC DEVELOPMENT GROUP MISSIONS

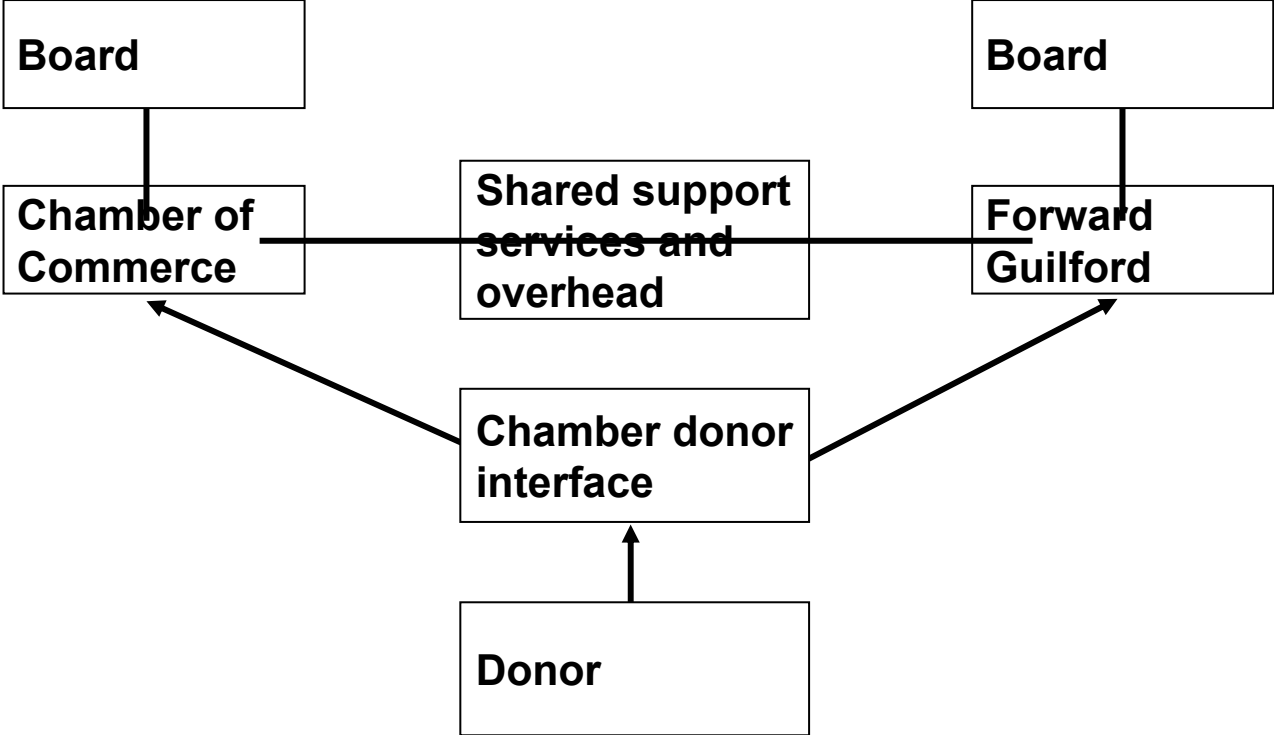
	Action Greensboro	City of Greensboro Office of Business Development and Assistance	Downtown Greensboro Inc. (DGI)	East Market Street Development Corporation	Forward Guilford	Greensboro Area Convention and Visitors Bureau
Mission	<ul style="list-style-type: none"> Mobilize the community to Attract businesses Increase entrepreneurship Attract young professionals Improve Greensboro’s image Improve downtown area Improve education 	<ul style="list-style-type: none"> Help businesses navigate the city requirements, obtain licenses and other city services Administers city tax incentive program for businesses* 	<ul style="list-style-type: none"> Direct a comprehensive economic development program to strengthen downtown 	<ul style="list-style-type: none"> Develop East Market Street corridor and make it an attractive, safe, pleasant place to be 	<ul style="list-style-type: none"> Facilitate creation of high-quality jobs Attract new capital Retain and expand existing businesses 	<ul style="list-style-type: none"> Market and sell Greensboro’s hospitality assets for maximum economic impact within our community
Geo-graphic scope	<ul style="list-style-type: none"> Greensboro 	<ul style="list-style-type: none"> Greensboro 	<ul style="list-style-type: none"> Downtown Greensboro 	<ul style="list-style-type: none"> Greensboro’s East Market Street corridor 	<ul style="list-style-type: none"> Guilford County (but Greensboro focus) 	<ul style="list-style-type: none"> Greensboro
Issues with mission/ goals	<ul style="list-style-type: none"> Role unclear to other agencies No exit strategies developed to this point, even though stated plan is organization will dissolve 	<ul style="list-style-type: none"> Mission heavily dependent on one person who is retiring next year 			<ul style="list-style-type: none"> Trying to revitalize image damaged by the organization being without a leader for a year Shifting explicit focus to Greensboro 	

* Guilford County also provides tax incentives to companies that total \$535,000 this year

ECONOMIC DEVELOPMENT GROUP MISSIONS (CONTINUED)

	Greensboro Business Center	Greensboro Chamber of Commerce	Greensboro Development Corporation	Greensboro Merchants Association	Piedmont Triad Partnership	Southeast Economic Development
Mission	<ul style="list-style-type: none"> Start-up assistance for entrepreneurs and new businesses 	<ul style="list-style-type: none"> Be voice of business Build and sustain a vibrant economy and superior quality of life for Greensboro 	<ul style="list-style-type: none"> Ad hoc support for projects and initiatives that further economic development of community 	<ul style="list-style-type: none"> Act as a resource organization that supports business with unique growth oriented programs and services 	<ul style="list-style-type: none"> Market the counties of the Piedmont Triad for business expansion and relocation 	<ul style="list-style-type: none"> Develop and support entrepreneurs and businesses in southeast Greensboro
Geo-graphic scope	<ul style="list-style-type: none"> Greensboro 	<ul style="list-style-type: none"> Greensboro 	<ul style="list-style-type: none"> Greensboro 	<ul style="list-style-type: none"> Greensboro 	<ul style="list-style-type: none"> Guilford and 11 other counties that include Greensboro, High Point, and Winston-Salem 	<ul style="list-style-type: none"> Southeast Greensboro
Issues with mission/goals		<ul style="list-style-type: none"> Image has not fully recovered from financial concerns left by previous leadership Challenges in accomplishing current mission without economic development directly tied 	<ul style="list-style-type: none"> Evolved into strictly a funding role 		<ul style="list-style-type: none"> Lack of regional cooperation, especially between Greensboro, Winston-Salem, and High Point complicates mission 	<ul style="list-style-type: none"> Future mission jeopardized as significant funding sources are disappearing

ORGANIZATIONAL STRUCTURE OF THE CHAMBER OF COMMERCE AND FORWARD GUILFORD

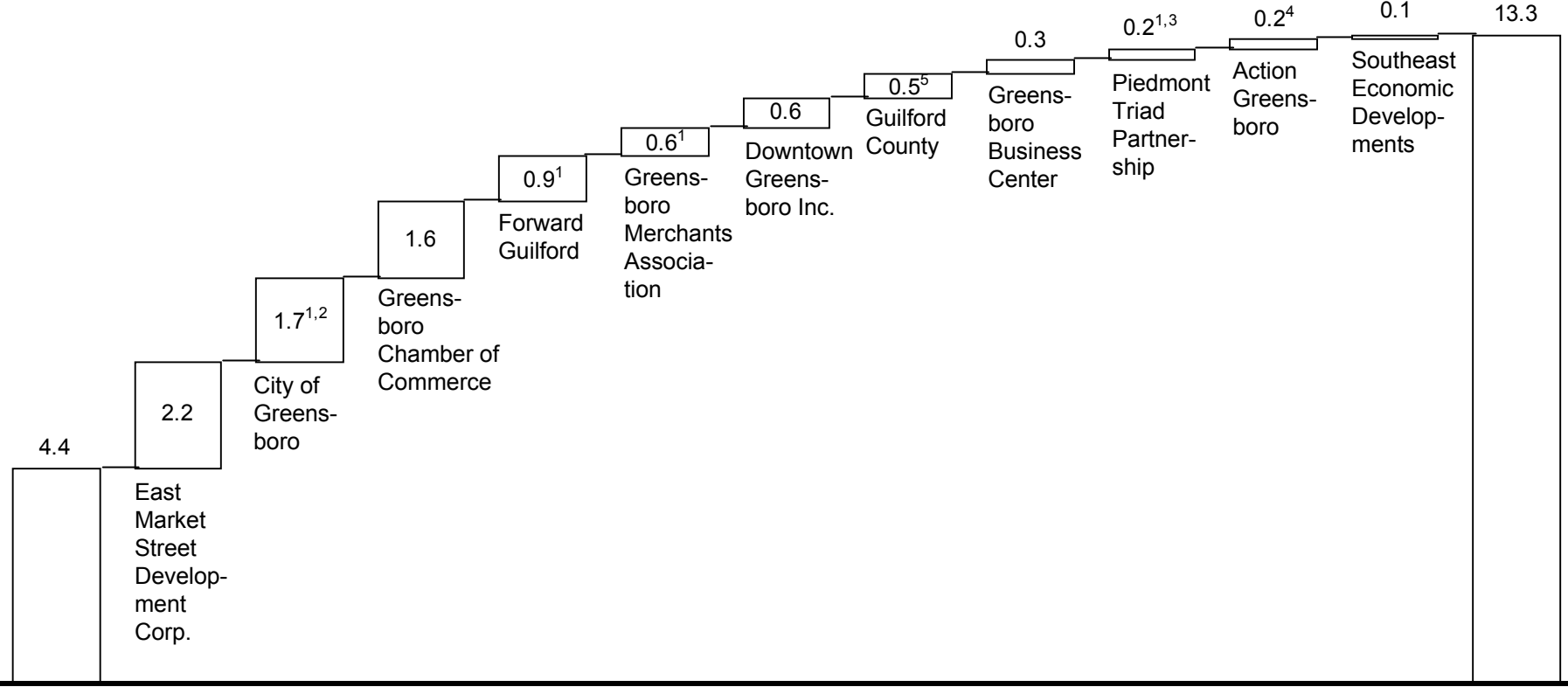


Issues

- Chamber of Commerce does not truly have economic development role
- Forward Guilford is not incorporated and must receive all donations through the Chamber
- Unstable organizational form working currently due to the relationship of the 2 presidents

TOTAL ECONOMIC DEVELOPMENT SPEND IN GREENSBORO – 2001

\$ Millions



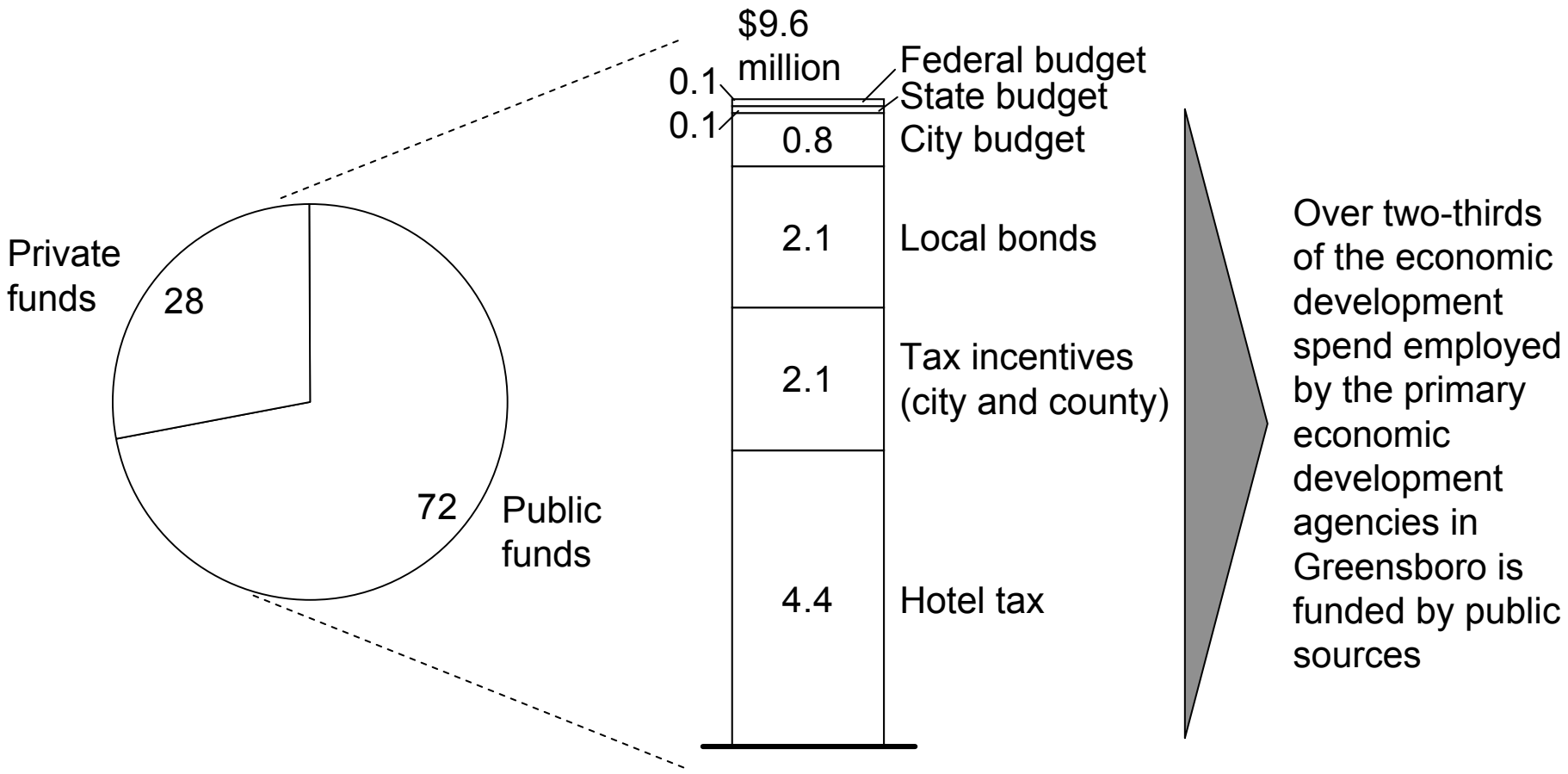
Greensboro Convention and Visitors Bureau

Total economic development spend

- 1 Does not include funds donated to other economic development agencies in region
- 2 Includes only tax incentives and expenditures of office of business assistance and development
- 3 Estimated spending on Greensboro by multiplying overall spend by Piedmont Triad Partnership by the ratio of (population in Greensboro)/(population in Piedmont Triad)
- 4 Includes budget for operations only
- 5 Includes only tax incentives paid by county to existing businesses

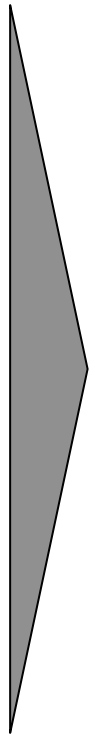
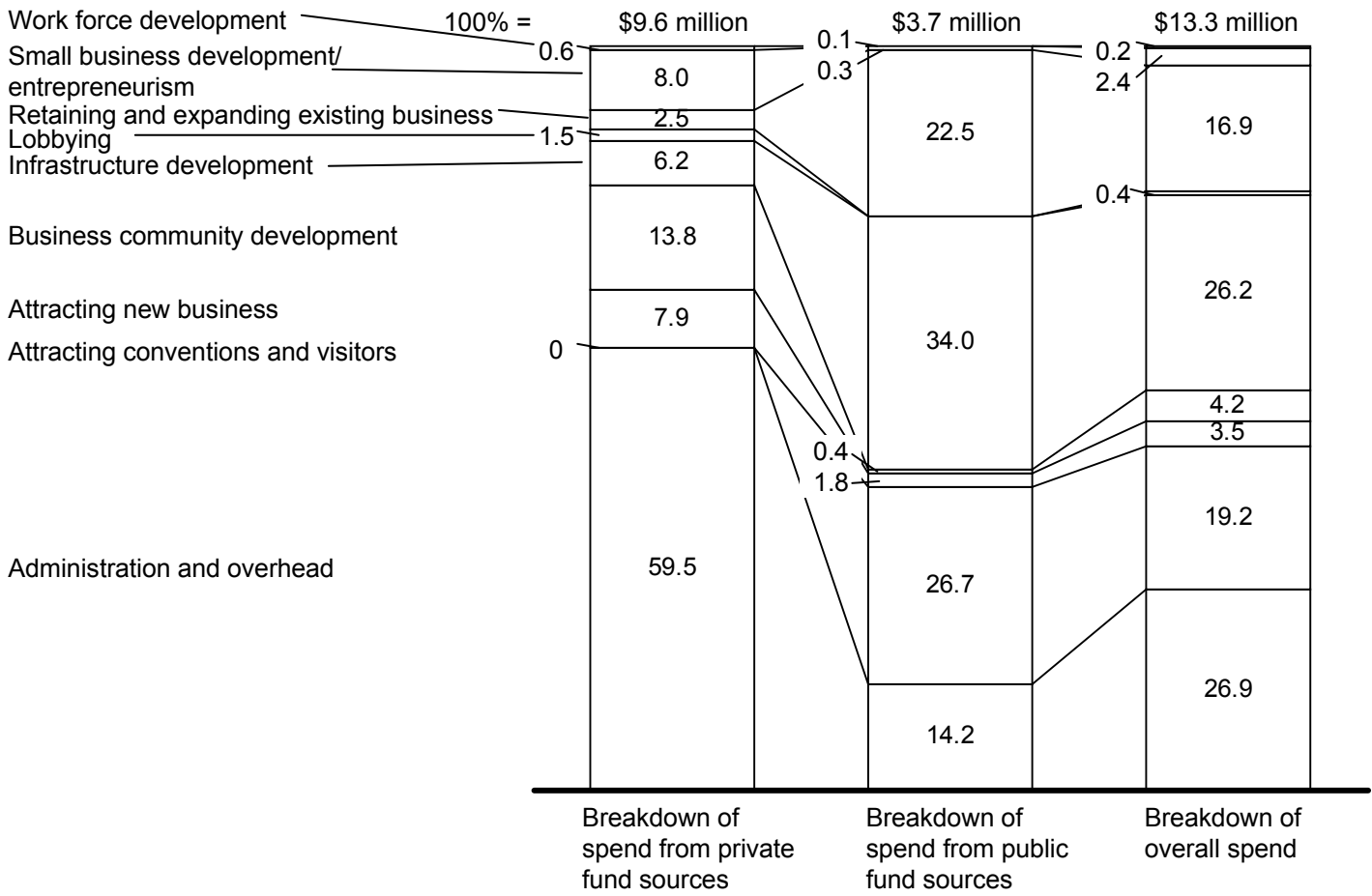
BREAKDOWN OF SOURCE OF FUNDS FOR PRIMARY ECONOMIC DEVELOPMENT AGENCIES

\$ Millions



COMPARISON OF SPEND CATEGORIES BASED ON FUNDING SOURCE

Percent

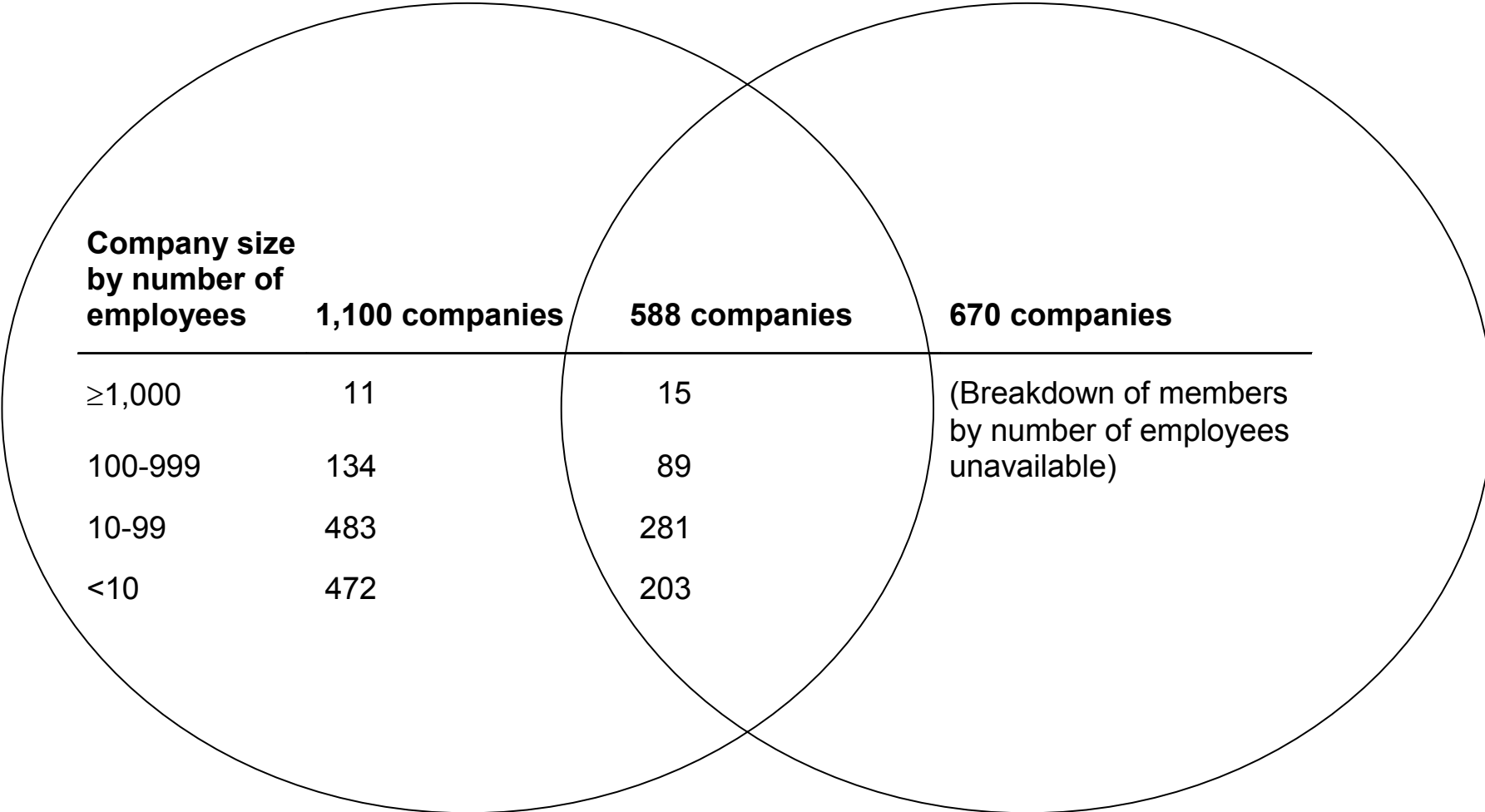


Public funds are more heavily weighted to infrastructure development and attracting conventions/visitors than private funds

OVERLAP IN MEMBERSHIP BETWEEN THE CHAMBER OF COMMERCE AND THE GREENSBORO MERCHANTS ASSOCIATION

Chamber members

GMA members



**Company size
by number of
employees**

1,100 companies

588 companies

670 companies

≥1,000

11

15

(Breakdown of members
by number of employees
unavailable)

100-999

134

89

10-99

483

281

<10

472

203

COMPARING EFFORTS TO IMPROVE INFRASTRUCTURE

	Action Greensboro	City of Greensboro	Downtown Greensboro Inc. (DGI)	East Market Street Development Corporation	Forward Guilford	Greensboro Area Convention and Visitors Bureau
Infrastructure development efforts	<ul style="list-style-type: none"> • Create master plan for downtown 	<ul style="list-style-type: none"> • Water and sewer 	<ul style="list-style-type: none"> • Support expanded parking and transportation • Facilitates redevelopment of downtown buildings and streetscapes 	<ul style="list-style-type: none"> • Facilitates redevelopment of East Market Street corridor buildings and streetscapes 	<ul style="list-style-type: none"> • Supports expansion of PTIA 	<ul style="list-style-type: none"> • Supports expansion of PTIA • Funds groups that improve sport and other facilities

Note: Chamber of Commerce, Greensboro Merchants Association, Greensboro Development Cooperation, Greensboro Business Center, and Southeast Economic Developments are not directly involved in infrastructure development

Source: Interviews with economic development agencies and agency literature

BOARD PARTICIPATION BY HEADQUARTERS AND MAJOR EMPLOYERS IN GREENSBORO










Top employers	DGI	East Market Street	Forward Guilford	Greensboro CVB	Greensboro Business Center	Greensboro Chamber of Commerce	GMA	PTP	SEEDS
National HQs									
Burlington Industries									
Cone Mills Corp.									
Guilford Mills, Inc.									
Jefferson-Pilot	✓		✓			✓	✓		
Lorillard		✓							
Oakwood Homes									
RF Micro Devices									
Unifi									
VF Corporation			✓						
Regional HQs									
Marconi									
Novartis/Syngenta									
United Healthcare			✓			✓			
Volvo Truck									
TIMCO						✓			
Operational Centers									
AMEX								✓	
AMP									
Lucent									
Proctor & Gamble									
UPS									

Source: Economic development agency boards

ECONOMIC DEVELOPMENT GROUP BOARD OVERLAP

Number of individuals on both boards

 High overlap areas

	Downtown Greensboro, Inc. (DGI)	East Market Street (EMS)	Forward Guilford (FG)	Greensboro CVB	Greensboro Business Center (GBC)	Greensboro Chamber of Commerce	Greensboro Merchants Association (GMA)	Piedmont Triad Partnership (PTP)	Southeast Economic Development (SEEDS)
Total members	36	18	22	11	18	31	18	55	12
DGI	 2	6	1	2	6	1	1	2	
EMS	2	 1	0	0	2	1	2	0	
FG	6	1	 0	1	10	3	4	4	
CVB	1	0	0	 1	0	0	0	0	
GBC	2	0	1	1	 1	0	0	0	
Chamber	6	2	10	0	1	 4	3	2	
GMA	1	1	3	0	0	4	 2	1	
PTP	1	2	4	0	0	3	2	 0	
SEEDS	2	0	4	0	0	2	1	0	

Source: Board lists