



Grow Minnesota!®

Minnesota Chamber of Commerce



Grow Minnesota!®
Minnesota Chamber of Commerce

Wright County Cities and Chambers

May 3, 2021

OUR MEMBERS



100+ YEARS

HELPING BUSINESSES GROW

**MINNESOTA
CHAMBER OF
COMMERCE**

GROWING MINNESOTA

OUR MEMBERS



WE REPRESENT

2,300

MEMBERS STATEWIDE

That's over half a million employees!

MINNESOTA
CHAMBER OF
COMMERCE

GROWING MINNESOTA

OUR MEMBERS

40%
**GREATER
MINNESOTA**



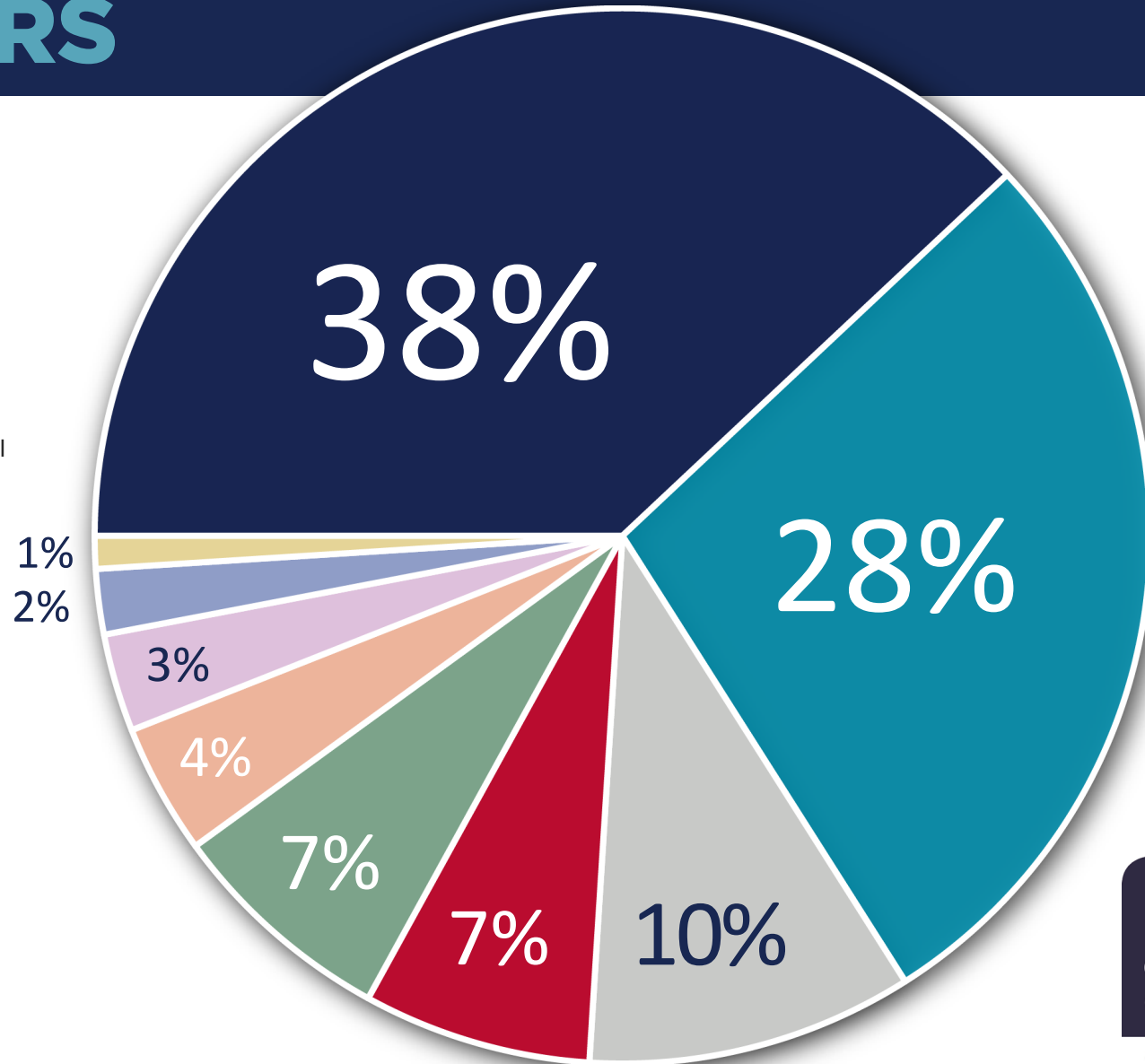
60%
METRO

**MINNESOTA
CHAMBER OF
COMMERCE**

GROWING MINNESOTA

OUR MEMBERS

BY INDUSTRY



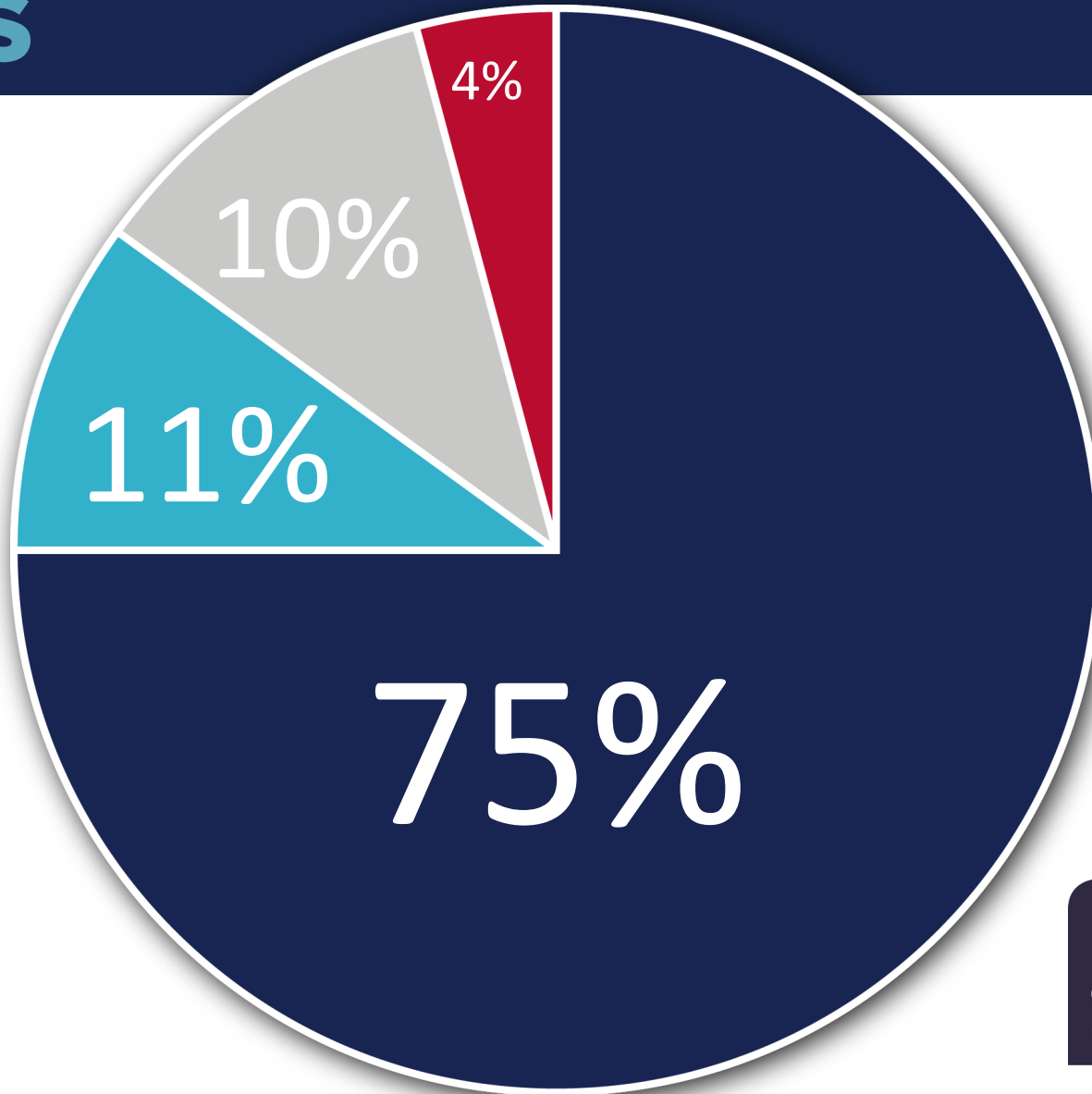
MINNESOTA
CHAMBER OF
COMMERCE

GROWING MINNESOTA

OUR MEMBERS

BY NUMBER OF EMPLOYEES

- 1-99
- 100-199
- 200-999
- OVER 1,000



MINNESOTA
CHAMBER OF
COMMERCE

GROWING MINNESOTA

OUR MEMBERS

NETWORK OF OVER
11,000
BUSINESS PEERS!

MINNESOTA
CHAMBER OF
COMMERCE

GROWING MINNESOTA

We're Growing Minnesota Together



**YOUR VOICE
AT THE
CAPITOL**



**YOUR
CONNECTION
TO BUSINESS**



**YOUR
OPPORTUNITY
TO GROW**

Your Opportunity to Grow



- Grow Minnesota! history
- Purpose: To thank companies for “doing business” in Minnesota
- Using what is learned on visits to grow Minnesota’s economy one business at a time.
- Legacy Partners
- 2021 and beyond

What is business retention?



“In economic development, business retention and expansion is a program designed to strengthen the connection between companies and the community while encouraging each business to continue to grow in the community.

Through direct interactions, events, and research, the program seeks to gain insight into business practices, planned future actions, as well as the challenges of targeted companies. Then, to turn this “business intelligence” into value added services, programs, and/or products that address individual and shared company opportunities and problems.”

--- Business Retention & Expansion International

Pandemic Elevates Importance of BRE



OUTREACH and RESPONSIVENESS

- Business needs are always changing.
- Listen to businesses and be their advocate.
- Connect businesses to resources.
- Provide reliable information and guidance.
- Understand potential opportunities.



The “why”...

- Business retention work helps economic recovery and future growth.

2021: Strategic Plan Goals



- **Broaden** the scope and opportunities for stakeholder entities to engage in Grow Minnesota!'s work.
- **Improve** businesses' knowledge of our resources and other resources that are available in the state.
- **Solve** businesses' problems that impede their success in Minnesota.
- **Inform** Minnesota's economic influencers on key trends in the state's overall economy.

New Model Description

What we do for business

Business Assistance

- Visit → Listen → Take action/Assist
- Businesses contact you
- Hear about a business need at a meeting/event and respond by offering assistance
- Digital outreach to offer assistance
 - e.g. COVID-19 survey
 - Multiple check-ins
- Assisting collectively (examples)
 - White Bear rail infrastructure
 - Delano transportation project
 - MN Supplier Match

Economic Insights

- Local economic data is limited; direct data collection is critical
- Track overall business/economic trends (be a knowledge leader)
- Get focused – what questions do you need to answer to develop economic strategies?
- Surveys = scale Visits = depth (use a combination approach)
- Leverage other data sources to supplement knowledge

Local Economic Development Services

- Work in partnership to scale capacity
- Technologies and tools
 - Track trends
 - Measure impact
- Analysis/reporting/presentations
- Training and support
- Connections/advocacy

How we do it: strategies & tactics

Scheduling and Conducting Visits

HOW WE CONDUCT VISITS

- *Traditional*
 - 1:1, face-to-face visits with individual businesses
 - Two volunteers
- *Innovative - Virtual and Hybrid*
 - Need to maximize capacity to reach more businesses quickly
 - 1:1, face-to-face is either not an option or not manageable for the number of visits needed
 - Use technology to gather groups or industry clusters
 - One or more volunteers
- *Now and Future*
 - Likely a combination of in-person, virtual, and hybrid

2021: New tools and offerings



- Business retention training and education (in process)
 - Work with knowledge leaders to deliver in-depth training
- Business mentorship (in process)
 - Provide access to a statewide bench of industry/topic experts
- Visit form and technology improvements (in process)
 - Previsit form to maximize efficiency and visit value
 - Cloud based form to type in visit info immediately, press button to submit to GM! Staff/record in database
 - Tools for tracking/measuring assistance impact
- Data and reports
 - Partner tiers provide multiple options to request and access GM! data
 - Leverage local/regional data and GM! staff to identify key trends/drive economic strategies
- Partner communications
 - Annual Partner Meeting with valuable and timely topics
 - Partner recognition in social media outlets
 - Monthly Partner E-News (with updates on new resources)
- Quarterly Economic Outlook Reports (new digital format)

Economic Development Testimonials



Teresa Bohnen, President, Saint Cloud Area Chamber of Commerce

“We have used Grow Minnesota!’s local results as a supplement to our Quarterly Business Report produced by St. Cloud State University’s faculty. Our business community loves the unique perspective, and the fact that the information comes directly from them! Grow Minnesota’s staff produces a quality, customized, localized product that brings big benefit back to our business community.”

What do outside sources tell us?



Aluminum Can Sourcing Sees Unprecedented Surge Amid White Claw, Truly Hard
Seltzer Craze

Studies show that there is a strong relationship between investment in innovation and economic output.

*COVID-19 Vaccine Syringe, Vial
Production Accelerates Medical Injection
Molded Plastic Sourcing*

What Manufacturers Need To Know
About The Defense Production Act

E-commerce: How consumer brands can get it right

*Increase in U.S. Manufacturing
Capital Spending in 2021 Will
Equal 2020's Decline*

**Made in the USA vs. China: Understanding Reshoring
vs. Offshoring**

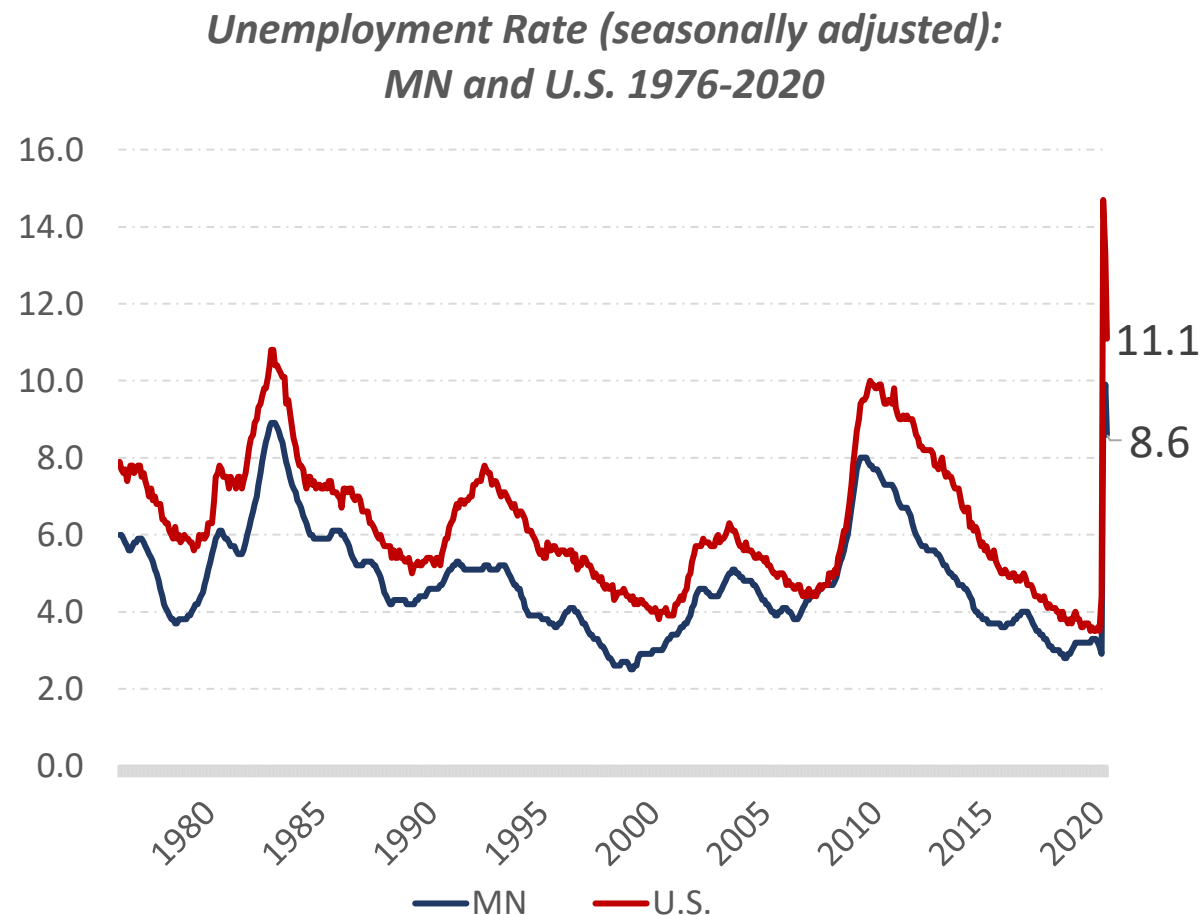
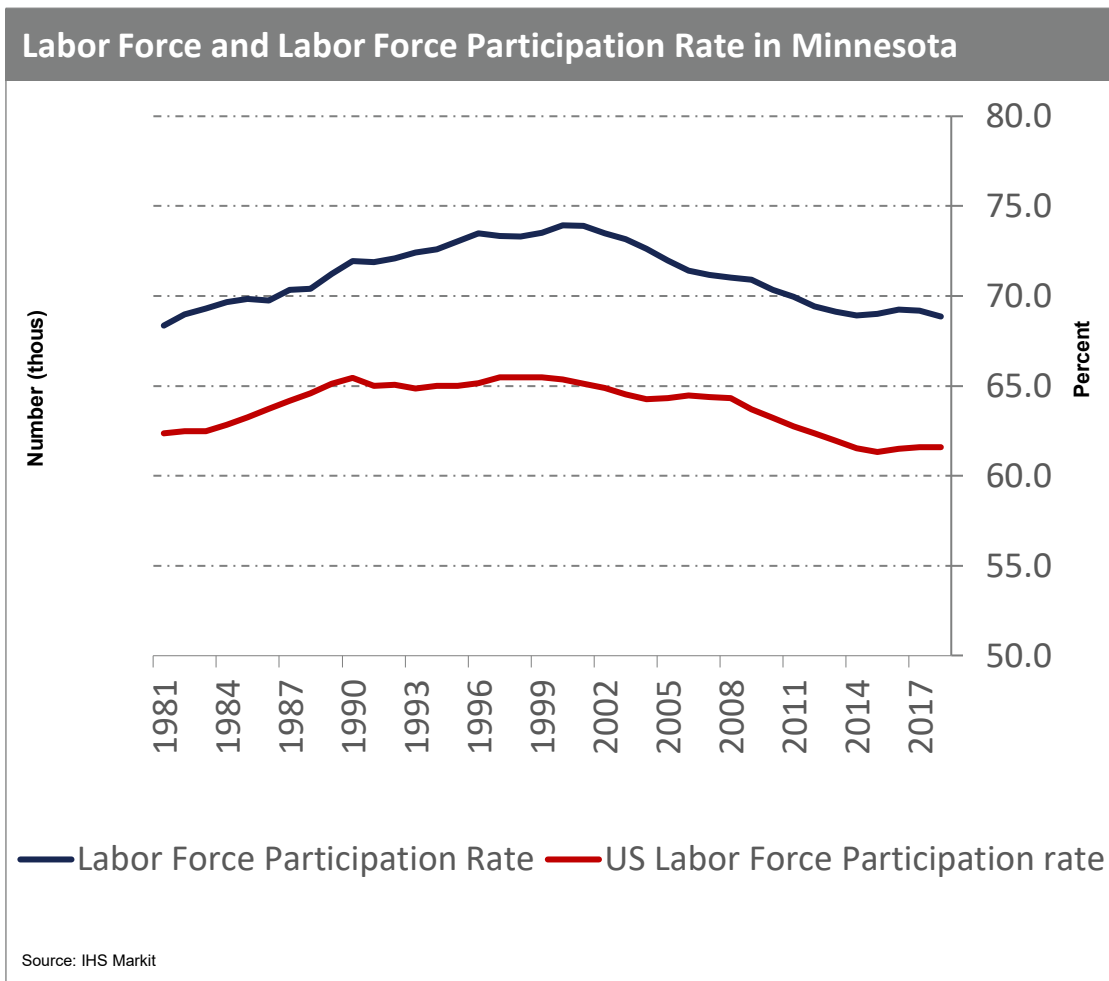
More Alliances, Mergers, and Partnerships –
Chambers and Economic Development
Organizations

Minnesota's labor participation rates



- Among the lowest in the country
- About in the middle
- Among the highest

Minnesota has structurally higher employment rates than the U.S.



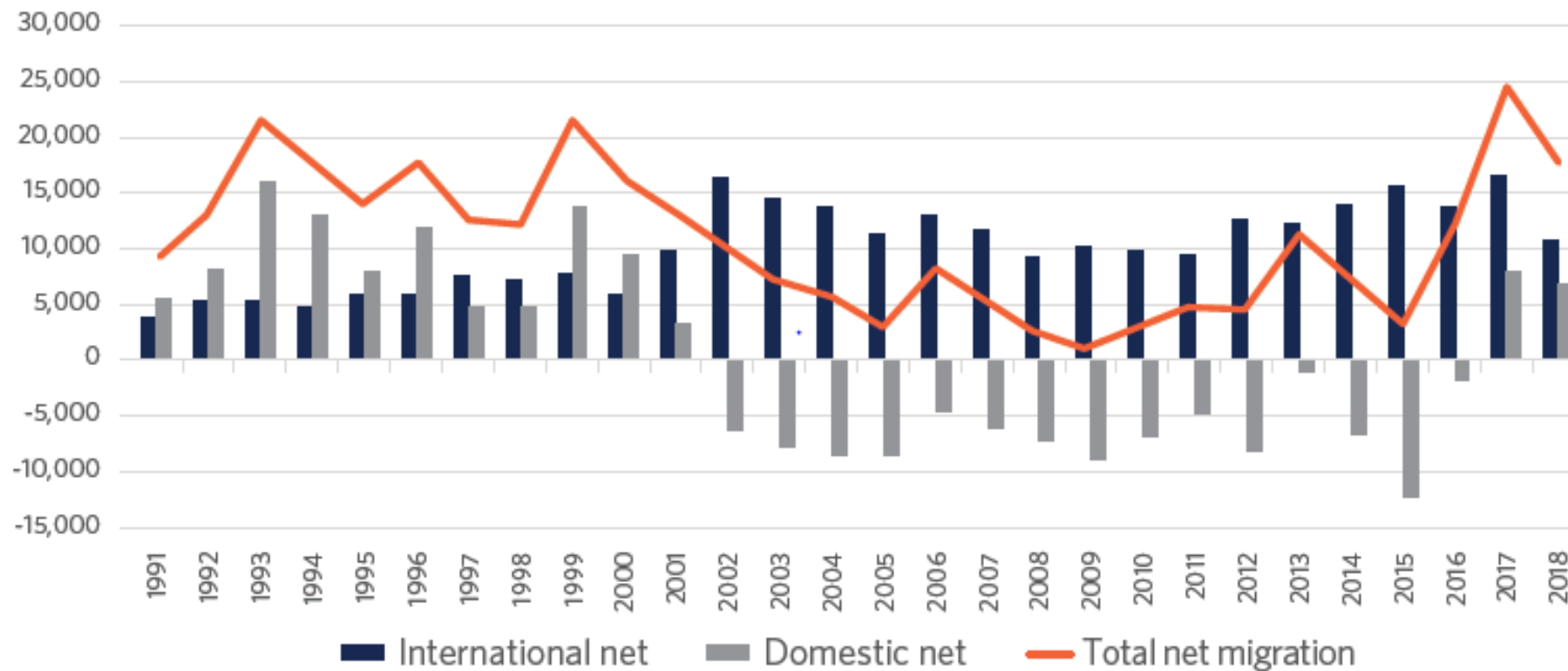
Growth in MN's labor force has occurred from:



- Influx of immigrants and refugees
- Strong retention of Minnesota's 18-24 year olds
- Strong domestic migration, people moving from other states
- All of the above

Minnesota would have lost more people than it attracted if not for immigration

Minnesota net migration by type: 1991-2018



Source: Minnesota Demographic Center

2010-2019, Minnesota's population grew by:



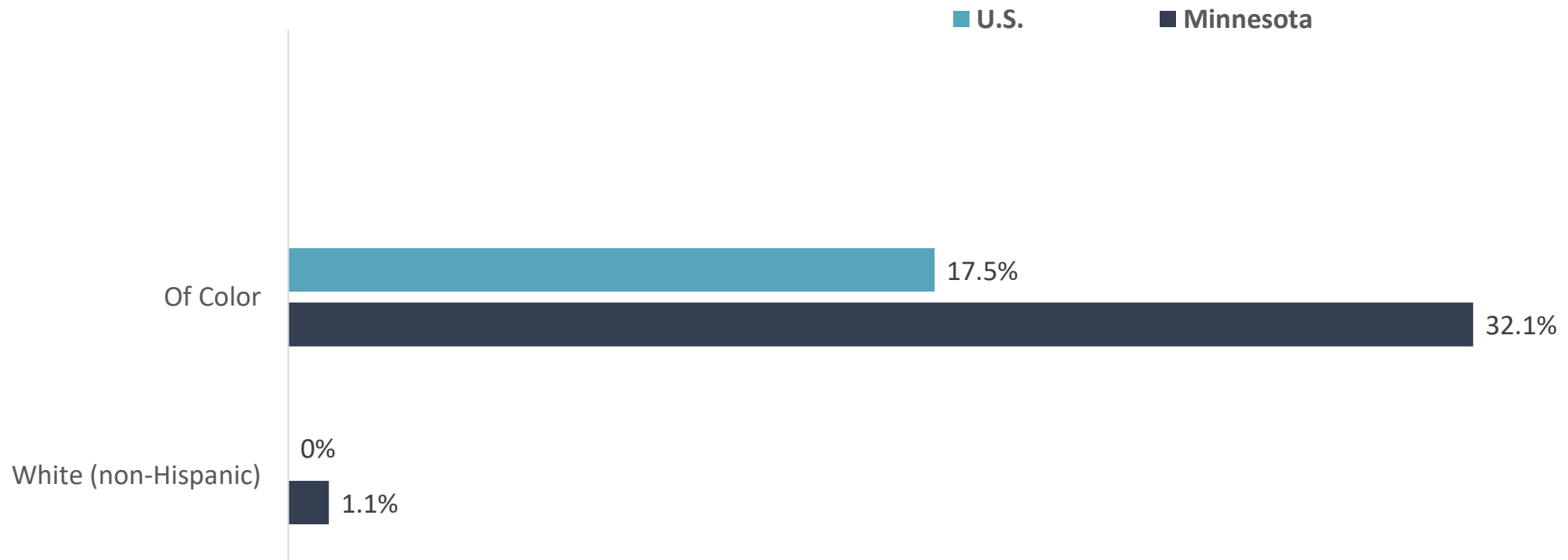
By color? White population growth?

- 1%
- 5%
- 16%
- 25%
- 32%

Minnesota's populations of color grew 32 times faster than the white population last decade



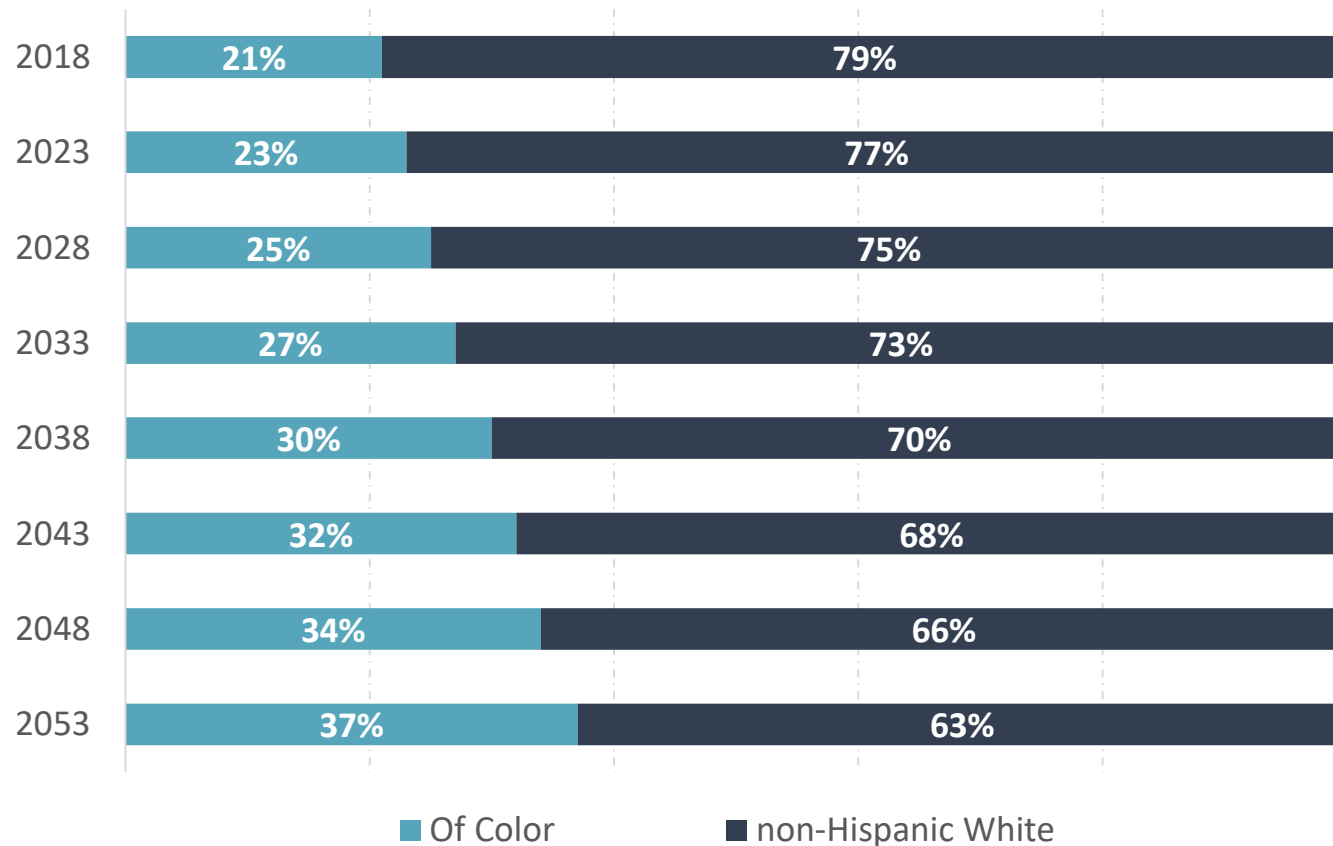
Population change by race: Minnesota and U.S.. 2010-2019



Source: Image recreated from MN Compass

Minnesota's population will continue to be more diverse in coming decades

Share of Minnesota's Total Population



*Populations of Color are expected to **swell by more than one million residents between 2018 and 2053**—exceeding one-third of the total population.”
(Minnesota State Demographic Center)*

MN is projected to reach full employment, after the pandemic by:

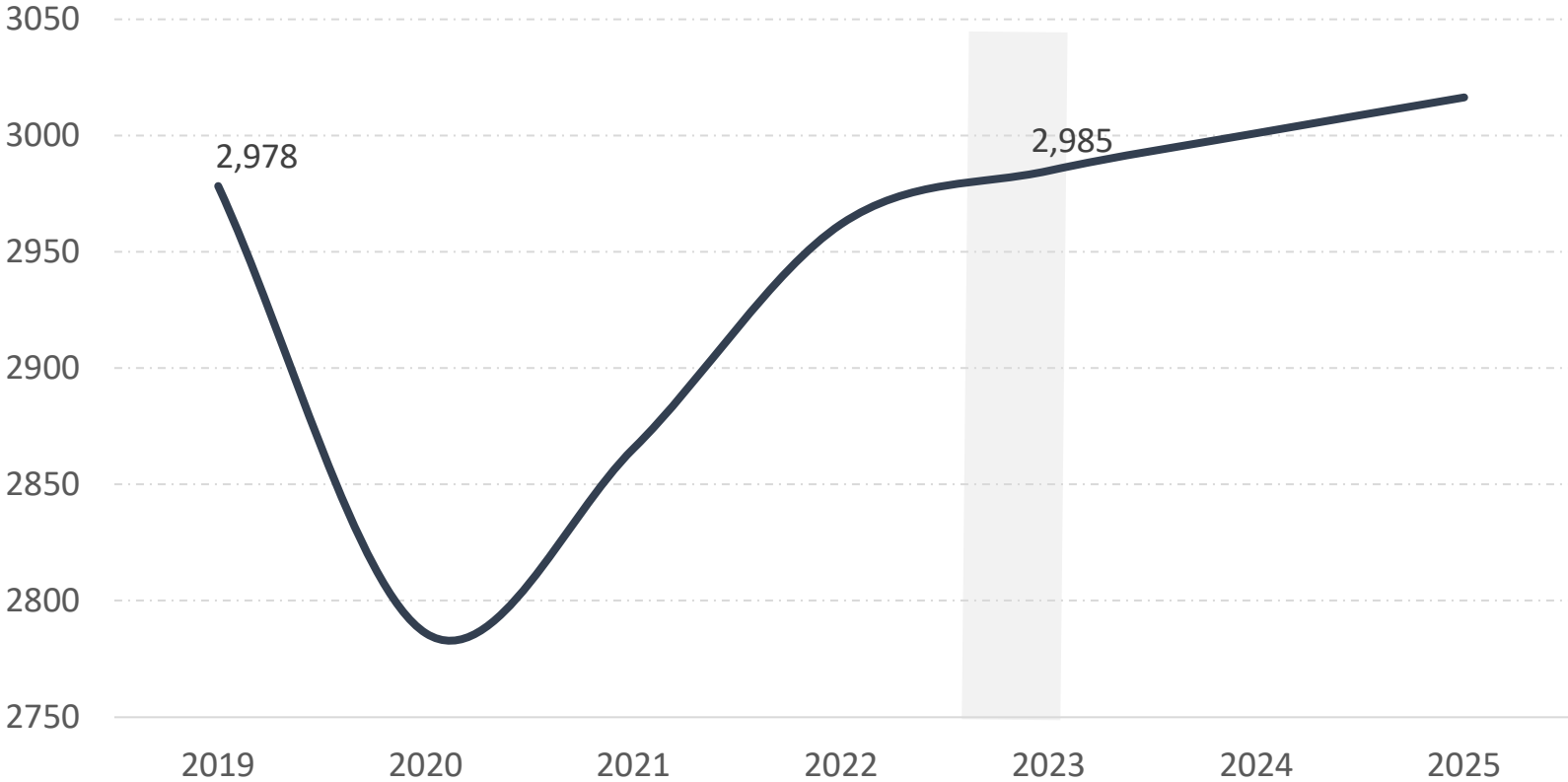


- Fourth quarter 2021
- First quarter 2022
- Fourth quarter 2022
- First quarter 2023
- Third quarter 2023

Minnesota employment expected to return to peak by late 2022/early 2023, though uncertainty remains



Total non-farm employment: Minnesota, 2019-2025 (projected)



Source: IHS Markit

Which statement is true?

- Minnesota's industry base is concentrated in a few sectors like agriculture and manufacturing making it more likely to suffer the impacts of major economic downturns
- Minnesota's economy is comprised of a diverse number of sectors making it resilient and less prone to major swings in the economy

The largest private sector industry employer in 6 of the 7 regions of MN is:



- Agriculture and food production
- Manufacturing
- Health Care and social assistance
- Natural resource-based industries
- Hospitality and recreation
- Corporate headquarters

Health Care and Social Assistance Employment by Economic Region in Minnesota

	Healthcare and Social Assistance				
	Employment (2018)	Share of total regional employment (2018)	Industry rank (private sector) within region (2018)	LQ (2018)	Job Growth CAGR 2007-2018
Twin Cities	264,185	14.20%	1	1.09	+2.80%
Southern	81,802	21.20%	1	1.62	+1.40%
Central	49,285	15.50%	1	1.18	+2.30%
Northland	33,302	21.30%	1	1.62	+1.50%
Southwest	21,510	14.30%	2	1.09	+1.90%
West Central	14,672	13.90%	1	1.06	+1.80%
Northwest	11,542	14.40%	1	1.1	+1.00%

True or False:

- Minnesota has one of the highest high school graduation rates in the country?
- To compete in the next decade, nearly every student will need a four-year degree?

Many good jobs require a 2-year degree or less

Selected occupations requiring less than a 2-year degree for typical entry level positions

Occupation Title	No Formal Educational Requirement	High School	Training
Computer, Automated Teller, and Office Machine Repairers	1%	7%	91%
Farm Equipment Mechanics and Service Technicians	2%	15%	80%
Dental Assistants	1%	5%	77%
Electricians	1%	7%	76%
Emergency Medical Technicians and Paramedics	1%	15%	75%
Machinists	3%	19%	63%
Computer Numerically Controlled Machine Tool Programmers, Metal and Plastic	2%	13%	57%
Industrial Machinery Mechanics	5%	31%	56%
Welders, Cutters, Solderers, and Brazers	11%	36%	50%
Plumbers, Pipefitters, and Steamfitters	20%	28%	49%
Heating, Air Conditioning, and Refrigeration Mechanics and Installers	8%	42%	49%

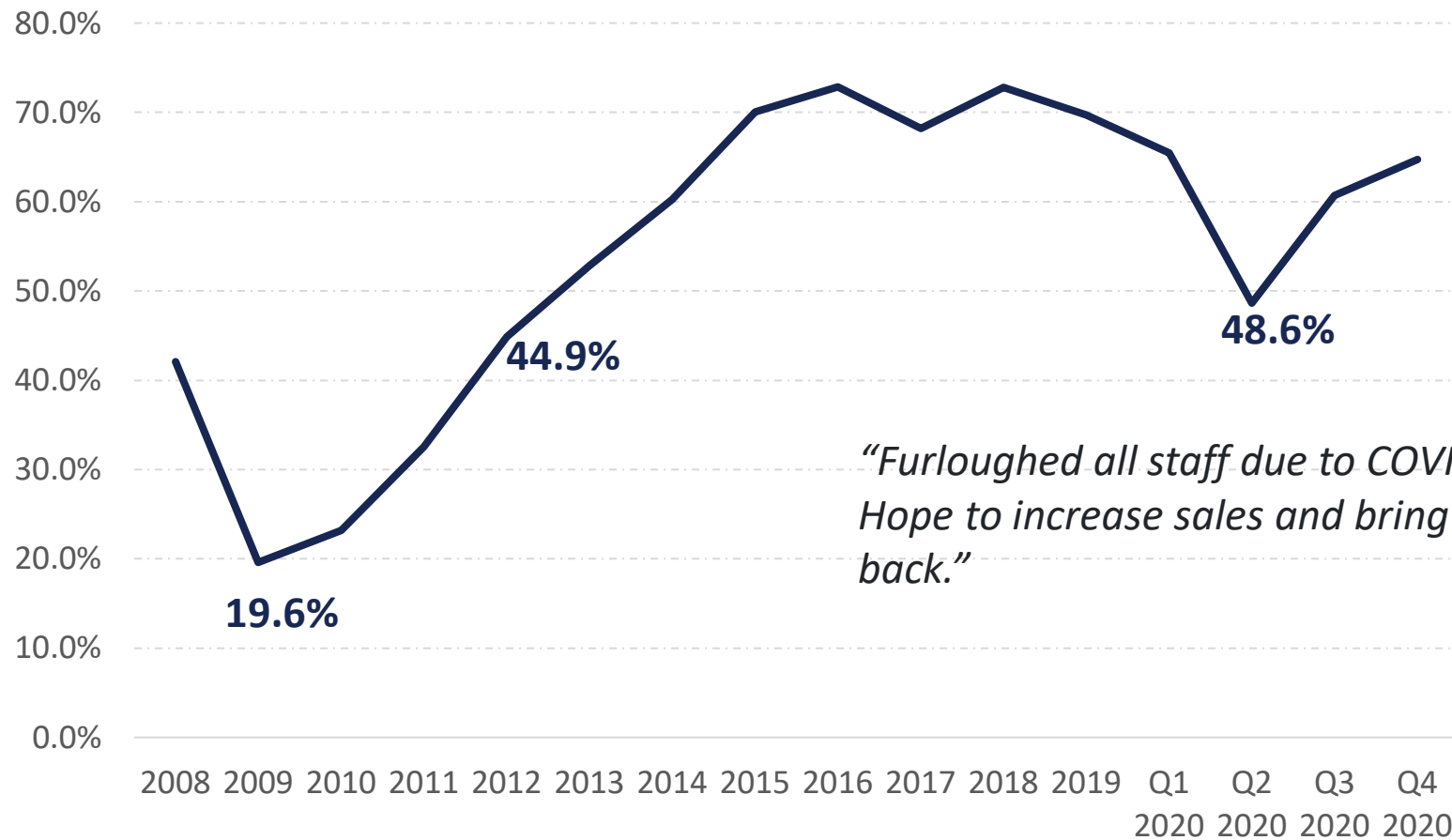
Barriers to Workforce Growth:



- Child care access and affordability
- Entry level market rate housing
- Connectivity (broadband)
- All of the above

Employment

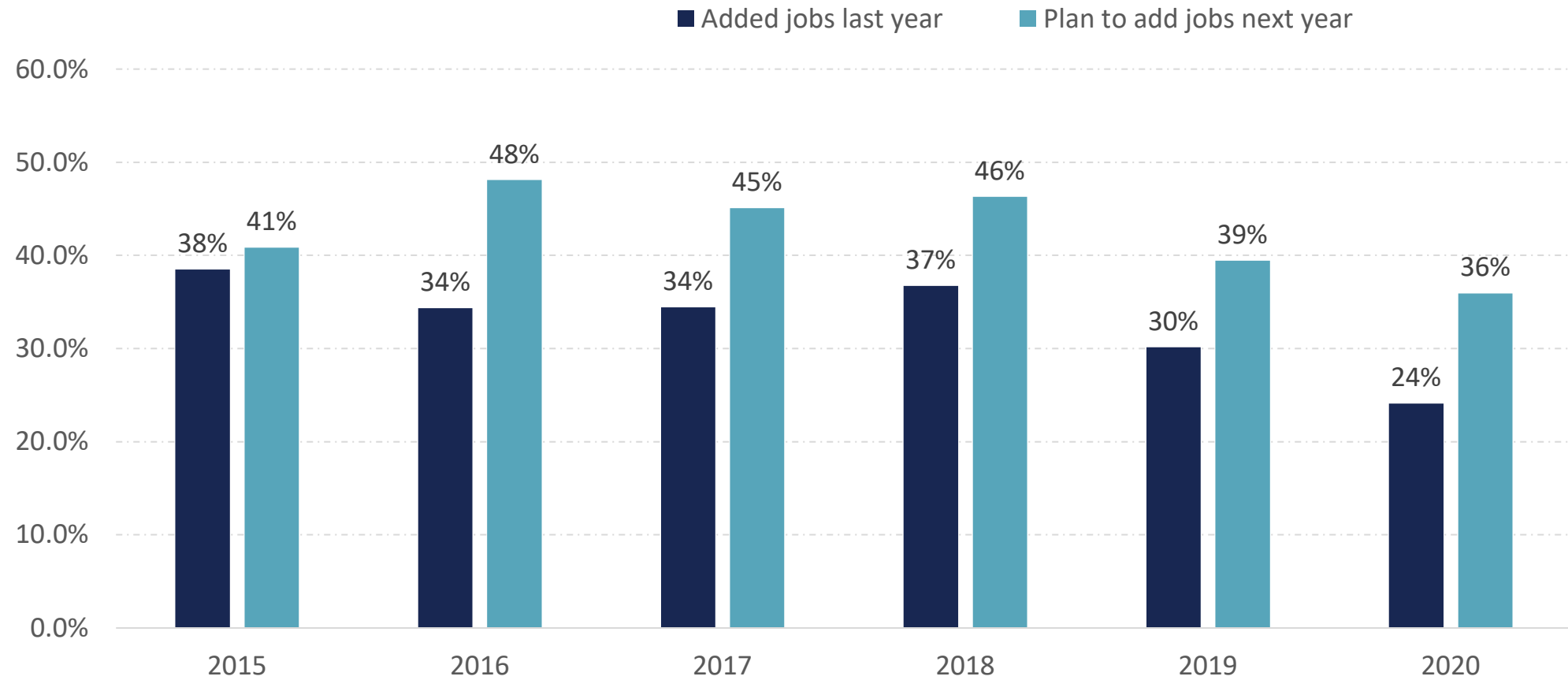
% of businesses having difficulty finding workers



“Furloughed all staff due to COVID impacts. Hope to increase sales and bring them back.”

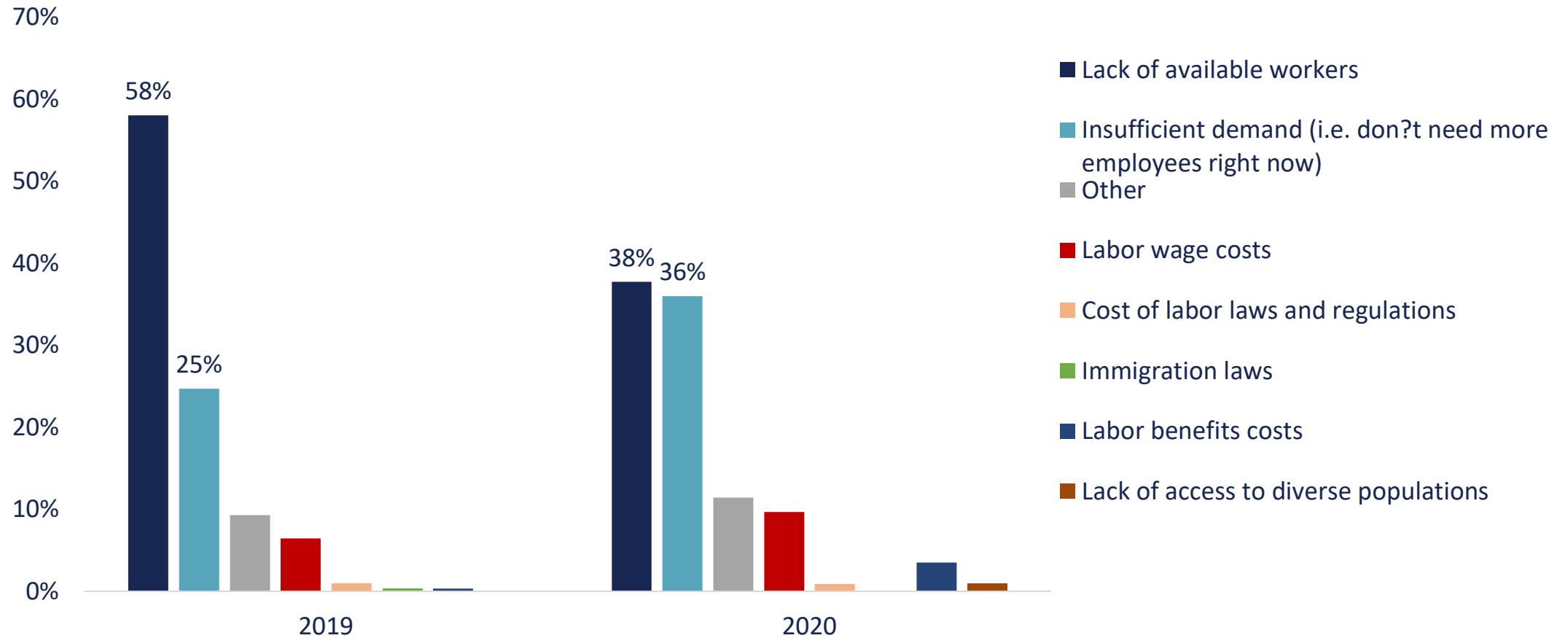
“COVID forced furloughs of 800-850 employees. All but 40 jobs have been brought back with new jobs due to COVID needs created. Back to about 2,300 total again.”

Job Growth



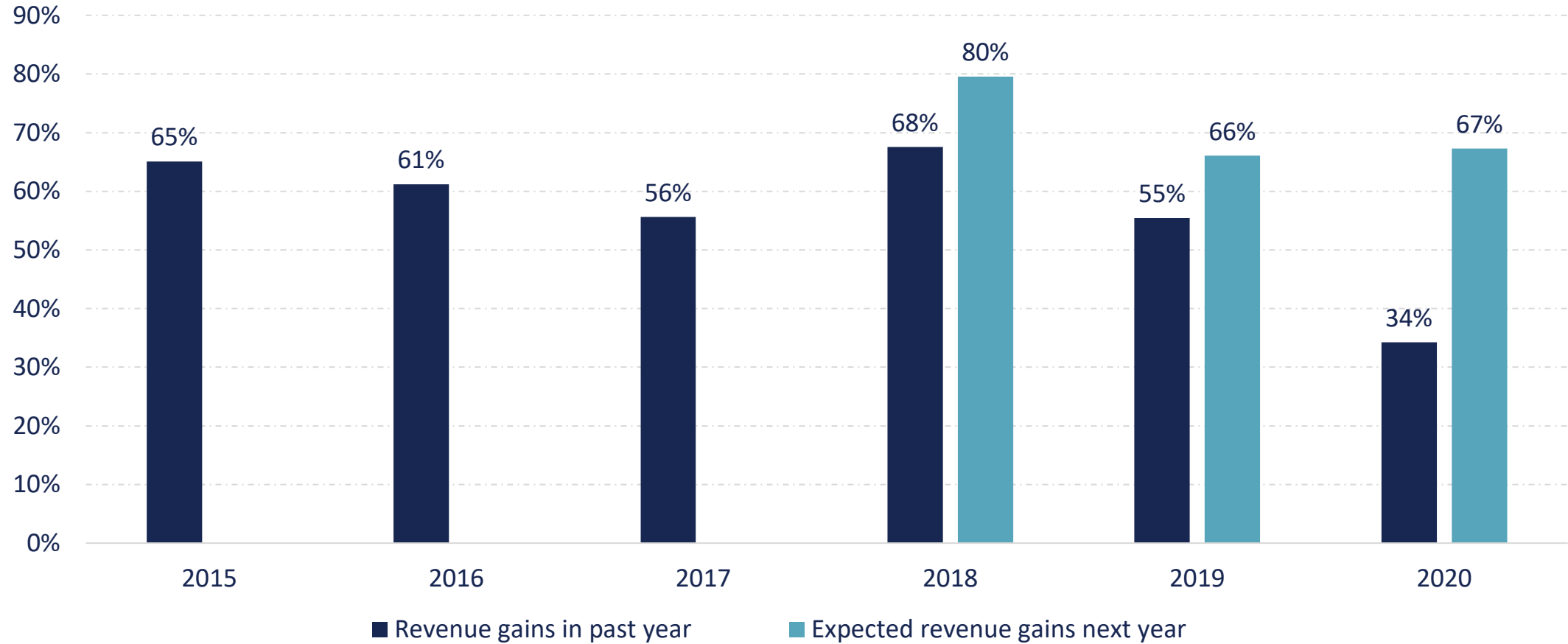
Barriers to Job Growth

Biggest barriers to adding jobs right now?



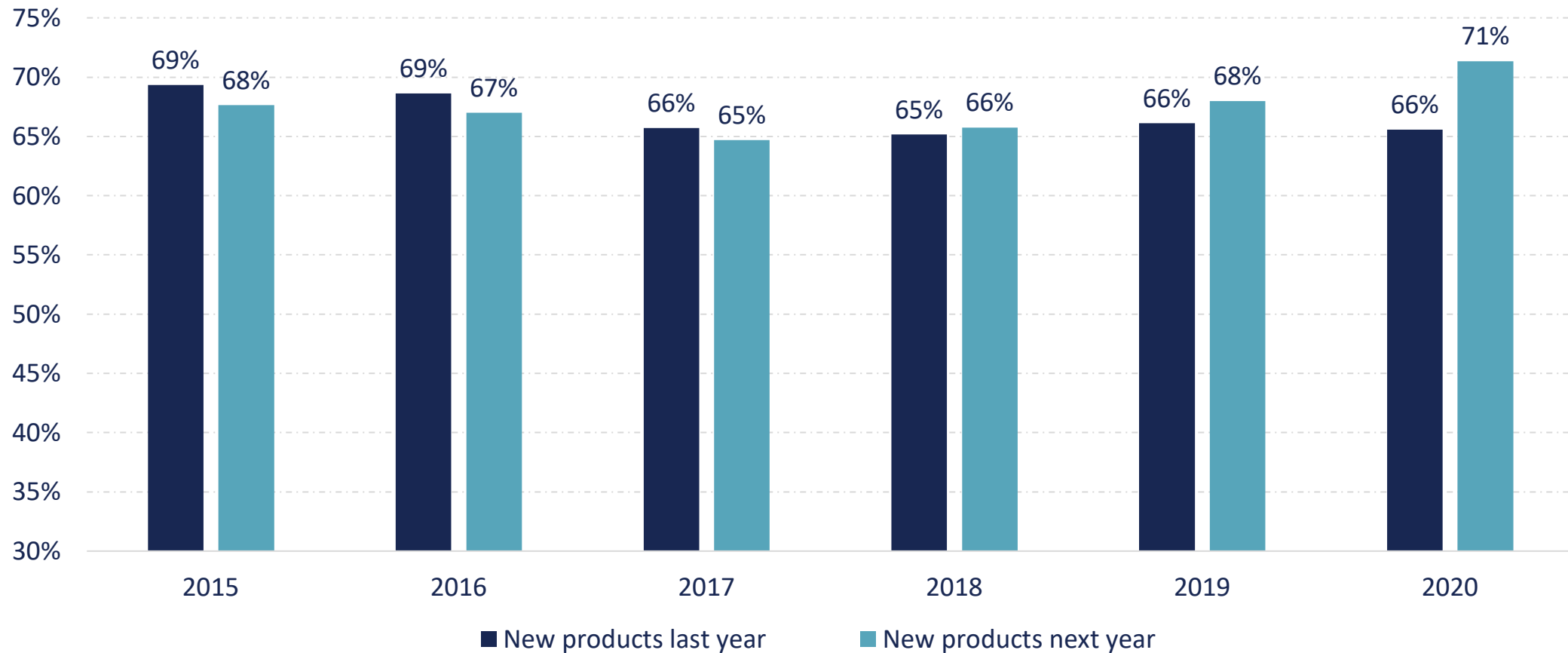
Revenue Gains

Net share of businesses reporting revenue gains in past year, and expected revenue gains in coming year



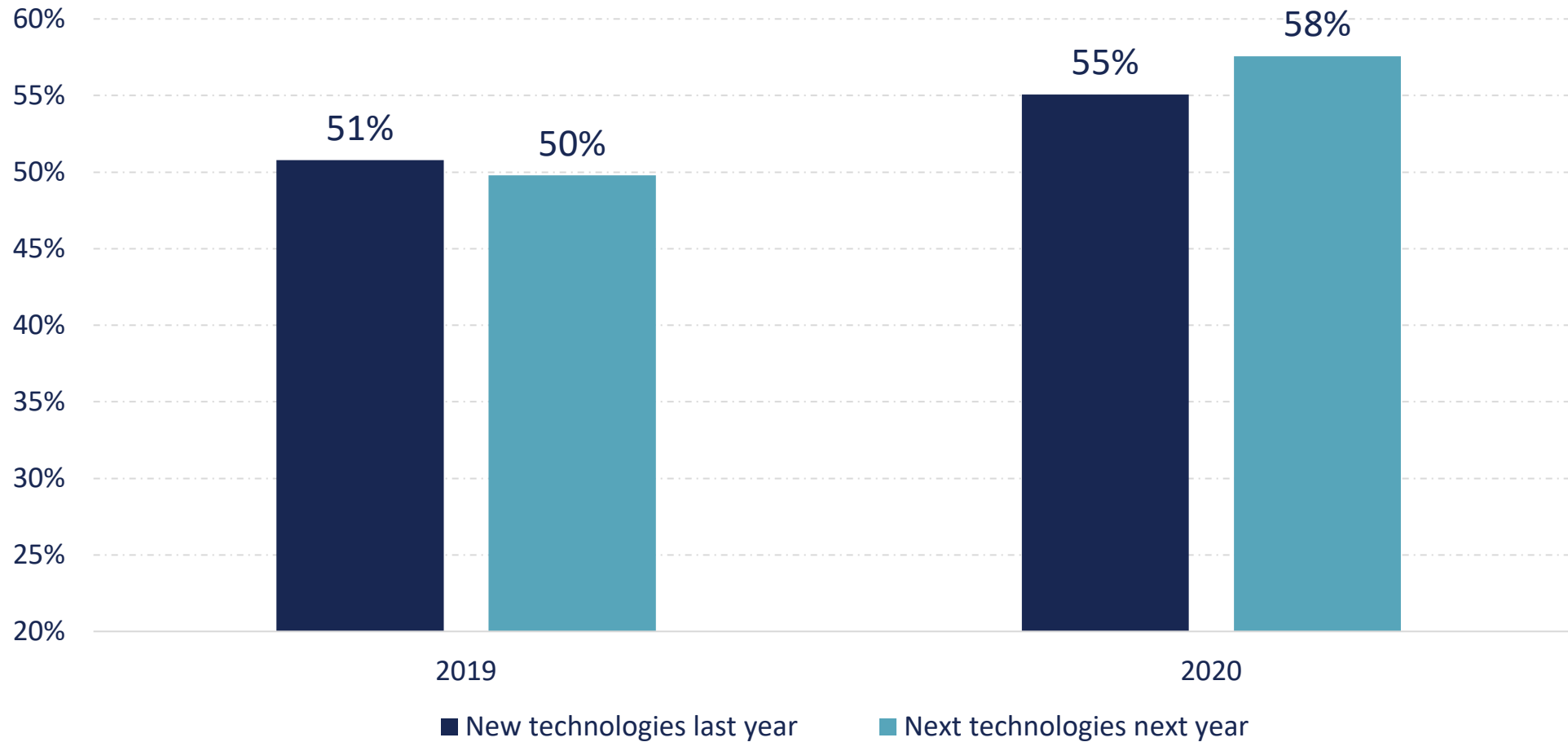
New Products

% of businesses adding new products



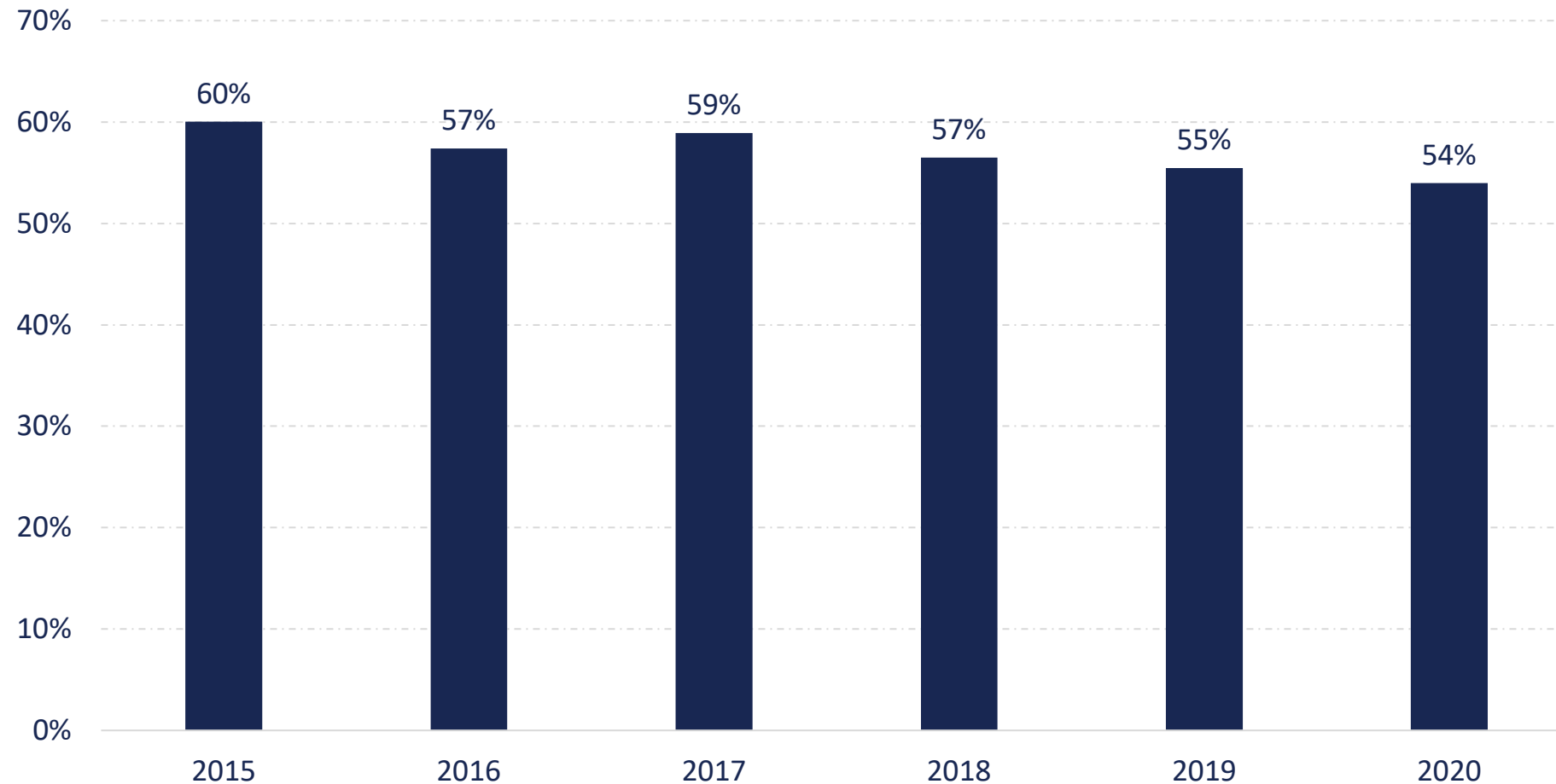
New Technologies

% of businesses adding new technologies



Capital Investments

% of business planning new capital investments



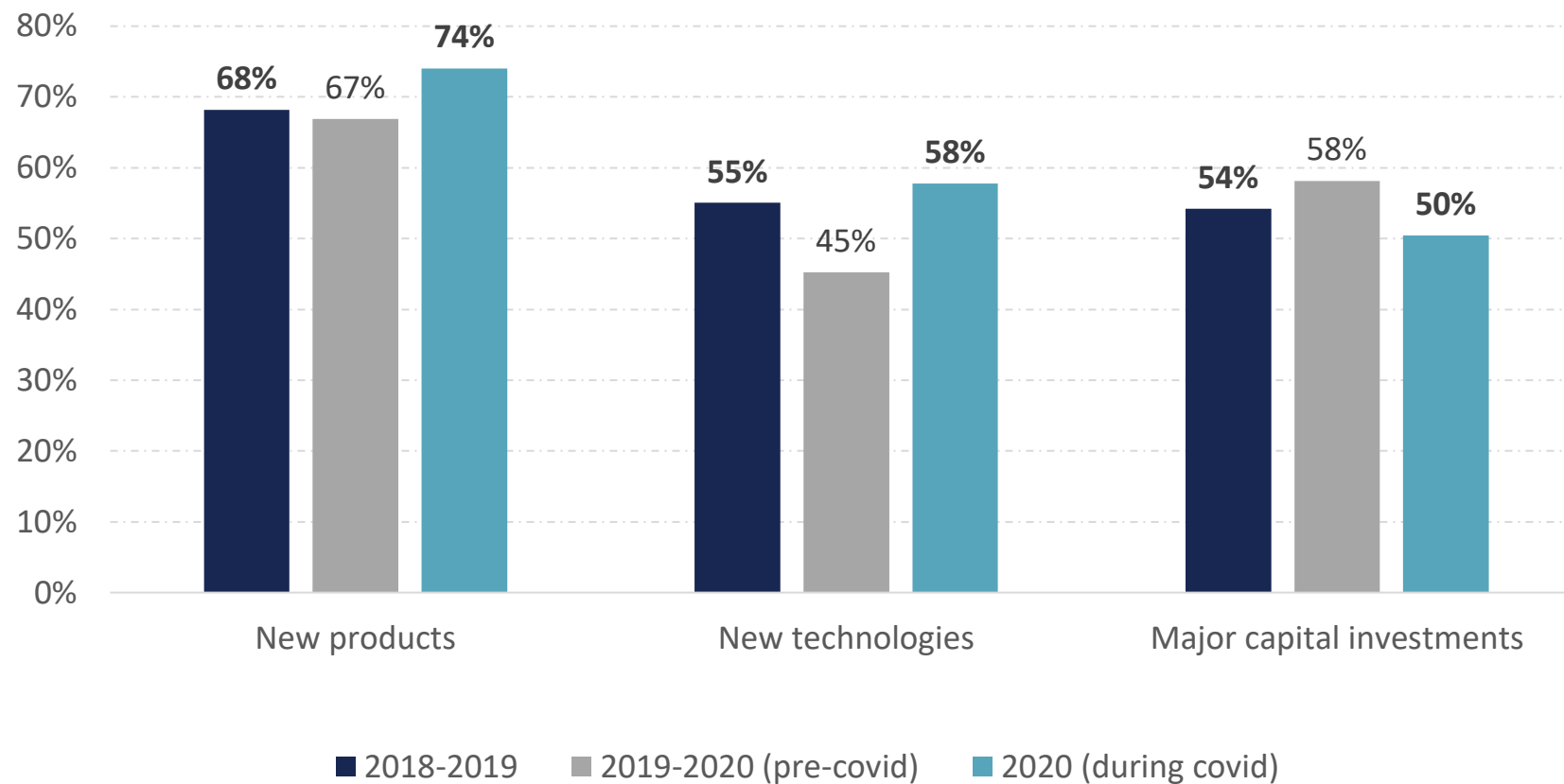
Economic Development Testimonials



Nicole Anthony, CEO, COYABLU

"My partner and I have a new startup, COYABLU Tequila Cocktails, based here Minneapolis. We've really benefited from Grow Minnesota! and working with both Kathi and Sean. The team was able to meet with us quickly and provided specific advice and resources for the problems we were hoping to address (grants and state licensing). Their feedback has saved us many hours that we'd otherwise have spent researching. Not to mention, they made some very strategic introductions for us. Grow Minnesota! is a valuable resource for any MN entrepreneur looking to expand their business network, knowledge and get more things done quickly."

Plans for the future? Grow Minnesota! Visit RESULTS



Economic Development Testimonials



Ken Warner, President, Willmar Lakes Area Chamber of Commerce

“Our partnership in Grow Minnesota! has provided our area businesses with a great resource. The business visit conversations allow us to identify business issues as well as potential opportunities. With this information in hand, we can connect businesses to the right resources in a timely manner. Businesses often tell us that our chamber has been the first entity to acknowledge and thank them for operating in the Willmar Lakes Area and in the State of Minnesota.”

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How we do it: strategies & tactics

2021: New Grow Minnesota!® Model



Products/Services	Advanced	Intermediate	Basic
Survey (Basic) - Online Access & Printed Form	X	X	X
Survey Results - Local	X	X	X
Business Assistance - Access to Electronic Resources	X	X	X
MN Supplier Match Subscription - Registration and Sourcing	X	X	X
Economic Insights Report - Quarterly	X	X	X
Communications and Content Management Support	X	X	
Staff and Volunteer Training	X	X	
Visits - Accompanied by MCC - Virtual and In-Person	X	X	
Website and Social Media Placement	X	X	
Reports - Executive Summary	X	X	
Administrative Data Support	X		
Business Assistance for Local Chamber Members	X		
Strategic Business & Industry Outreach Consulting	X		
Survey Data Analysis	X		
Presentations and Speaking Engagements	X		
Fee-for-Services Discount	X		
Partnership Council Engagement	X		
Webinars - Member Rate Access	X		
Peer-to-Peer Assistance Program - Industry Experts	X		
Out-of-State Visits - Access	X		
Roundtables (Local Chamber Member Access)	X		
Consultative/Specialty Projects	Hourly/Participation Rates Apply		
Research	Hourly/Participation Rates Apply		
Reports - Preparation and Presentation of Customized, In-Depth	Hourly/Participation Rates Apply		
Annual Partner Fees	\$1,000	\$500	Complimentary



Grow Minnesota!®
Minnesota Chamber of Commerce

Questions?

