Increasing the Puget Sound’s Regional Prosperity & International Competiveness

Gateway Cities Council of Governments Job Creation & Economic Revitalization Summit
October 31, 2012
Puget Sound Regional Council

Growth Management
Economic Development
Transportation Planning

PSRC

Economic Development
Transportation Planning
Growth Management
A Cluster-Based Strategy

Cluster Portfolio: Employment Change, Concentration and Size, 2007

Source: ESD, PSRC

Note: Covered employment only. Military not included. In this “bubble chart,” the size of each bubble symbolizes the size of the cluster in terms of employment. Bubbles above the horizontal line at 1.0 are clusters in which our region has a higher concentration of jobs than the U.S. average. Those below the line are clusters that formerly had higher job concentrations in our region but currently are below the U.S. average. Bubbles to the right of the vertical line are clusters that experienced employment growth from 2005 to 2007. Those to the left experienced declines in employment during those years.
A Two-Pronged Approach

1. Rebuild the region’s economic foundations to meet the needs of the new economy
2. Meet the unique needs of our clusters

**FIVE PILOT CLUSTERS**
- Life Sciences
- Aerospace
- Clean Technology
- IT
- Logistics & International Trade

**FOUNDATIONS of a COMPETITIVE ECONOMY**
- Social Capital
- Tax Structure
- Skilled & Adaptable Workforce
- Transportation and Physical Infrastructure
- Tech Commercialization

**ECONOMIC SUMMIT**
11/19/05

**VISION**
- Diversity
- Vibrant Cities
- Collaboration
- Healthy Environment
- Good Income

**CLUSTER INITIATIVES**
- Aerospace
- Info. Technology (IT)
- Logistics & International Trade
- Clean Technology
- Life Sciences

**PROSPERITY PARTNERSHIP**

[PSRC Logo]
Over 350 Partners Organizations
## 2012 Action Items

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<tr>
<th>Action Initiative</th>
<th>Action Initiative Area</th>
<th>Organization</th>
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<td>1. Conduct a comprehensive economic analysis of the region’s economy, and use it to develop a Regional Economic Strategy for the 2011-2016 time period.</td>
<td>Regional Economic Strategy</td>
<td>Puget Sound Regional Council/Prosperity Partnership</td>
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<td>2. Raise awareness and support for a more sustainable and accountable higher education system.</td>
<td>Education</td>
<td>Prosperity Partnership Higher Education Coalition</td>
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<td>3. Continue to identify and resolve barriers for transferring military training to civilian jobs and higher education.</td>
<td>Military</td>
<td>Washington Defense Partnership</td>
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<td>5. Support efforts to ensure an effective, sustainable transportation system for the long-term future of the region.</td>
<td>Transportation</td>
<td>Transportation Partnership</td>
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<td>6. Implement the recommendations of the Metropolitan Business Plan for Energy Efficiency to develop a Building Energy-Efficiency Testing and Integration Center and Demonstration Network.</td>
<td>Clean Technology</td>
<td>Metropolitan Business Plan Steering Committee/Puget Sound Regional Council</td>
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<td>7. Support efforts to invest in the future and strengthen Washington’s place in the rapidly changing aerospace industry by providing more higher education opportunities in our innovation economy, increasing and strengthening manufacturing workforce, expanding research and cultivating a healthy business climate.</td>
<td>Aerospace</td>
<td>Washington Aerospace Partnership</td>
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<td>8. Work with partners to evaluate International Regions Benchmarking Consortium program and plan for long-term sustainability.</td>
<td>Logistics and International Trade</td>
<td>Trade Development Alliance of Greater Seattle/International Regions Benchmarking Consortium</td>
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Launched New Initiatives

Washington Clean Technology Alliance

Global Health Seattle Nexus

Aerospace Futures Alliance of Washington

Metropolitan Business Plan

Washington Defense Partnership
Developed Policy Initiatives

✓ Fill existing capacity for degrees in high demand fields at Washington’s higher education institutions.

Residential Infrastructure Fund

Cultural Access Fund

From Arts to Zoos
Measured Competitiveness
About WCIT

The Washington Council on International Trade is dedicated to growing our state’s economy through public policies favorable to expanded opportunities in the global marketplace.

WCIT members are farmers, manufacturers, retailers, service providers, non-profit organizations and individuals who support a strong trade policy that benefits Washington’s small, medium and large companies and creates jobs for Washington residents.
Top Members

Platinum Members
• The Boeing Company
• The Microsoft Corporation
• Port of Seattle

Gold Members
• Millennium Bulk Terminals–Longview
• Port of Tacoma
• Weyerhaeuser Company

Silver Members
• Move Forward Washington
• Seattle Metropolitan Chamber of Commerce
• Starbucks Coffee Company

Bronze Members
• Anderson Hay & Grain
• BNSF
• Columbia Sportswear
• Eli Lilly & Company
• Foster Pepper PLLC
• K & L Gates LLP
• NW Horticultural Council
• Perkins Coie LP
• Port of Everett
• Port of Longview
• REI
• Russell Investments
• Schwabe, Williamson & Wyatt
• SWL Holdings, Inc.
• UPS
• Waterstone Brands Inc.
• Wells Fargo Global Banking
• We Work For Health
The Role of WCIT

• Educate Washington’s elected officials about trade policy issues that impact Washington’s international economic competitiveness.

• Engage the business community and others in actively supporting policy changes that increase Washington’s international economic competitiveness.

• Serve as a repository of data and information on international trade in Washington.
What is Trade?

All International Business is International Trade

- Aerospace & Manufacturing
- Agriculture
- IT
- Retail

- Professional Services
- Global Health
- Int’l Tourism
- Int’l Education
How Do We Grow Washington’s Trade Economy?
Data: Comprehensive overview of our international economy

Highlights include:

• Nearly 40% of jobs are tied to trade

• Imports are linked to 25% of all trade-related jobs

• Our international economy benefits not only from imports & exports, but also FDI and immigrants
Data, Con’t.: Exports & Imports

**Highlights include:**

- Aerospace & ag are our biggest goods exports, while software & tourism are our biggest services exports

- Aerospace is also one of our biggest imports...much of it in components that are later exported as part of a finished airplane!
Data, Con’t.: The Role of China

Highlights include:

- China is the biggest source of our imports and our top export market...unless you remove aerospace

- China is our largest source of foreign students and the fastest growing source of our international visitors (48% increase from 2010 to 2011)
Analysis: Lots of Strengths, But Significant Challenges Too

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<th>Analysis of Washington’s International Competitiveness</th>
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<td><strong>Top Strengths</strong></td>
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<tr>
<td>• Geography &amp; Infrastructure</td>
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<td>• Businesses &amp; Products</td>
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<td>• Workforce</td>
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<td><strong>Top Challenges</strong></td>
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<tr>
<td>• # of Companies Engaged in Trade</td>
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<td>• WA’s International Visibility</td>
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<td>• Coordination Among Int’l Organizations</td>
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<td><strong>Top Opportunities</strong></td>
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<tr>
<td>• Services Exports</td>
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<td>• Immigrants and Foreign-born Residents</td>
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<td>• Developing Countries</td>
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<td>• China</td>
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<td>• Foreign Direct Investment</td>
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<td><strong>Top Threats</strong></td>
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<td>• Port Competition from Canada, Mexico and the Panama Canal</td>
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<td>• Access to and from International Markets</td>
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<td>• Public Support for Trade</td>
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Recommendations: 6 Key Focus Areas for Major Impact & Job Creation

1. Trade Communications Campaign
2. State Advocacy
3. Federal Advocacy
4. Help on port competitiveness
5. Statewide Intl. Competitiveness Coordinating Committee
6. Target key industries and markets
Questions?

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