

Transforming Brevard County: The First Year Plan

Version 2.00

Brevard County, Florida
May 2011

Prepared by Purdue Center for Regional Development and Brevard Workforce. This document includes content licensed and distributed by Ed Morrison under the Creative Commons 3.0 Attribution License.

Table of Contents

The Challenge.....	5
The Opportunity.....	6
The Foundation for Change.....	8
The Focus Areas.....	12
First Year Initiative #1 – Company-Support Projects Parnters	
Resource and Funding Needs.....	18
Summary.....	19

Introduction

This living version of the strategic action plan puts Brevard County on the road to a growing regional economy. As indicated this is a 'living' document; and as such it will continually adapt to changing conditions, serving as a guide to what the community does and how we do it.

Through the Strategic Doing Forums held in 2010 community leaders and citizens of Brevard re-organized into 'Investment Initiatives' that aligned around six strategic focus areas:

1. **Entrepreneurs and early stage companies:** Networks to support both entrepreneurs and early-stage companies
2. **Training and education:** Newly created networks that develop a more flexible and responsive set of options for individuals
3. **Company support:** Support for existing companies, especially in the second stage (companies that employ 10 to 99)
4. **Clean energy:** Investments to develop new clusters of companies creating clean energy technologies
5. **Public place-making:** Investments in infrastructure to advance Brevard as a quality, connected place for future investment
6. **New narratives:** New, coherent stories of how Brevard leverages its strengths to transform its economy

Based on current work, several measureable objectives anticipated over the next year are:

- An increase in startup and small business financing
- An increase in the number of companies and jobs in the region
- Higher level of youth engagement in exploring careers in technology-driven businesses
- New investment partnerships in advanced energy technologies stimulated by a Clean Energy Summit
- Training and education closely tied to job creation and enhanced community resources at the workforce career centers

Many obstacles exist in overcoming and achieving the objectives, including legislative changes and raising the appropriate funding from multiple sources. One way to approach the need for early stage financing support is through the establishment of an **Opportunity Fund**. This fund would support promising collaborations emerging from the strategic doing process. An Opportunity Fund, structured similar to the Small Business Innovation Research grant program, would provide staged financing to promising initiatives. As an example, the Purdue Center for Regional Development helped establish Opportunity Funds in both North Central Indiana and the Milwaukee 7 region. These funds stimulated collaborations required for economic transformation. Initial seed funding of \$2 million was suggested as a way to start the initiatives outlined in the first year. The remaining funds would be drawn down over the course of 12 months as new initiatives develop and milestones of the plan are achieved.

Like a thread through fabric, the Strategic Doing Forums wove the latest thinking and practices in economic development, **linking and leveraging networks of people and other assets**, throughout the plan. Moving from an industrial-style economy to an information-based global economy is crucial to the future of the county. For us, this means developing new relationships and global networks to leverage the best the county has to offer. Linking and leveraging new networks, formed by the community, can remake the approach to economic development and begin the transformation of how Brevard's economy grows.

Brevard Workforce (BW) embarked on the path of gathering the community to develop, link and leverage new networks using **Strategic Doing** with the help of the Purdue Center for Regional Development. Strategic Doing combines the best elements of strategic planning with project planning and execution.

The imminent transformation of NASA focused the effort on what to do with the influx of highly talented people into the available labor pool. Rather than looking at consolidation approaches to deal with the challenges, BW decided to turn this event into an opportunity to rethink growth and innovation in the region. The answer? Creating **re-engagement networks** (linking the county's resources) as a way to grow the economy (leveraging the county's resources to achieve measurable economic growth.) Through re-engagement networks, Brevard can create an environment that encourages innovation. As innovation flourishes, it will attract increasing amounts of capital to old and new businesses, which will lead to economic growth and high-value jobs.

The Challenge

Similar in scope to what many regions in the US are experiencing, unemployment in Brevard County is rising due to employer dislocations. Ranked in the bottom fifth of the nation's top metro areas by the Brookings Institution, the economic performance as measured by unemployment, gross metropolitan product, housing prices, and foreclosed properties is unacceptable.

Unemployment is only the most visible part of the challenge. The bigger challenge is transforming the economy from the current relationship with NASA and the military into a new set of relationships that create a new foundation for growth. The work is focused on answering the simple, but difficult question, "What's next?"

It seems apparent; the future depends on connecting the assets to define new opportunities. The county includes a diverse array of assets on which to build. They include, for example:

- Space Coast location and the infrastructure for space launches,
- Military infrastructure to support defense-related investments,
- Strong tourism infrastructure, including six cruise terminals,
- A highly skilled technical and engineering focused workforce,
- Innovation output, as measured by patent density,
- A strong base of technology companies,
- Attractive qualities of life measured by affordability and short commute times.

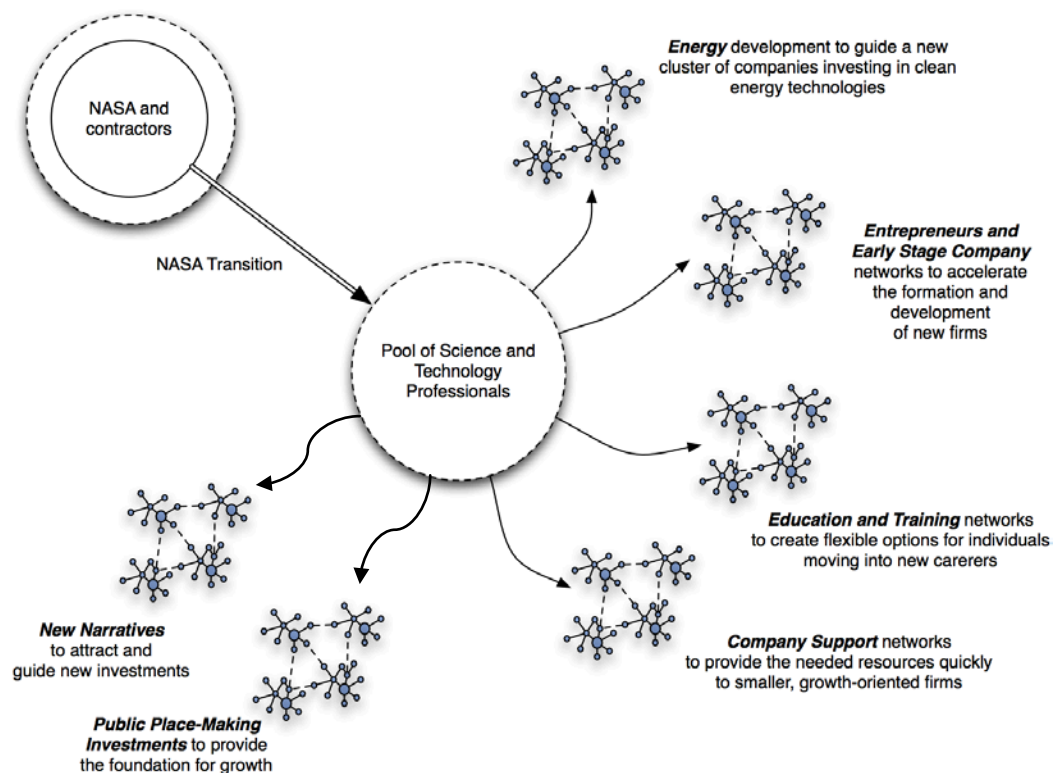
The simultaneous challenges are to:

- **Short –term:** Address the short-term employment dislocations caused by NASA's transformation,
- **Longer-term:** Reconfigure the region's assets to diversify the economy and position the county for global competition.

The Opportunity

Re-engagement networks are a good way to address short-term employment issues while achieving better utilization of the regional assets.

Re-engagement networks form purposeful new connections between existing and new organizations, within the region and beyond. Through these networks, participating organizations can better leverage the highly skilled talent pool to drive innovation and diversify the economic base.



Re-engagement networks can move Brevard County from an economy in which wealth is created through the control of resources, to an economy in which wealth is created through ideas, knowledge, and innovation. Andrew Carnegie and John D. Rockefeller created wealth by controlling resources with huge industrial complexes. Bill Gates generated wealth from new ideas and software you can carry in your pocket.

It all starts with a clear recognition. Federal and state governments can offer only limited help. Budget cuts mean Brevard cannot rely on outside public funds indefinitely. The strategy for the economic transformation must emerge from the local civic leadership and be driven predominantly by local investment, both public and private.

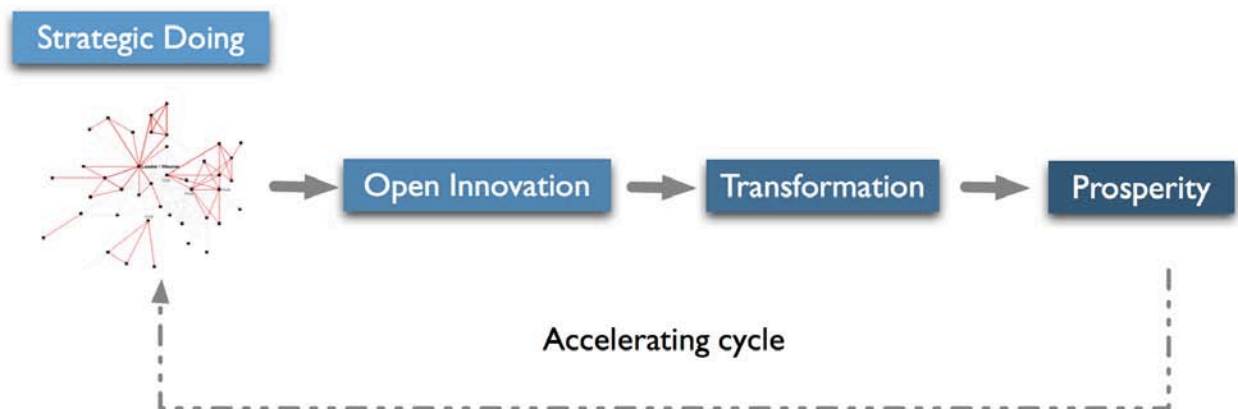
In sum, all of Brevard County will have to think and act in new ways. No one individual, no one organization has all the answers. There are no “silver bullets,” no magic solutions, no ‘One Big Project’ that will guarantee that the transformation will succeed.

The Foundation for Change

Over the last decade or so, the software industry demonstrated that it is highly productive when it comes to collecting the best ideas from anyone, anywhere, and acting on those ideas for the benefit of the entire industry. New competitors, with new business models and value propositions, benefit customers and create the incentive for existing competitors to compete more effectively. Incumbent competitors react by redoubling their efforts to compete, also benefitting customers. This approach and its resultant products is called “open source” software.

In economic development, there is a similar renaissance underway. The economic development theory simply states :

- There is no monopoly on the sources for new, potentially productive ideas
- Connecting people with these ideas can and will result in networks that have specific purpose
- Interacting in these networks to achieve clear and measurable outcomes will result in innovation potential
- Organizing around the best ideas and making them work will result in innovation that can be transformative
- Transformation results in prosperity



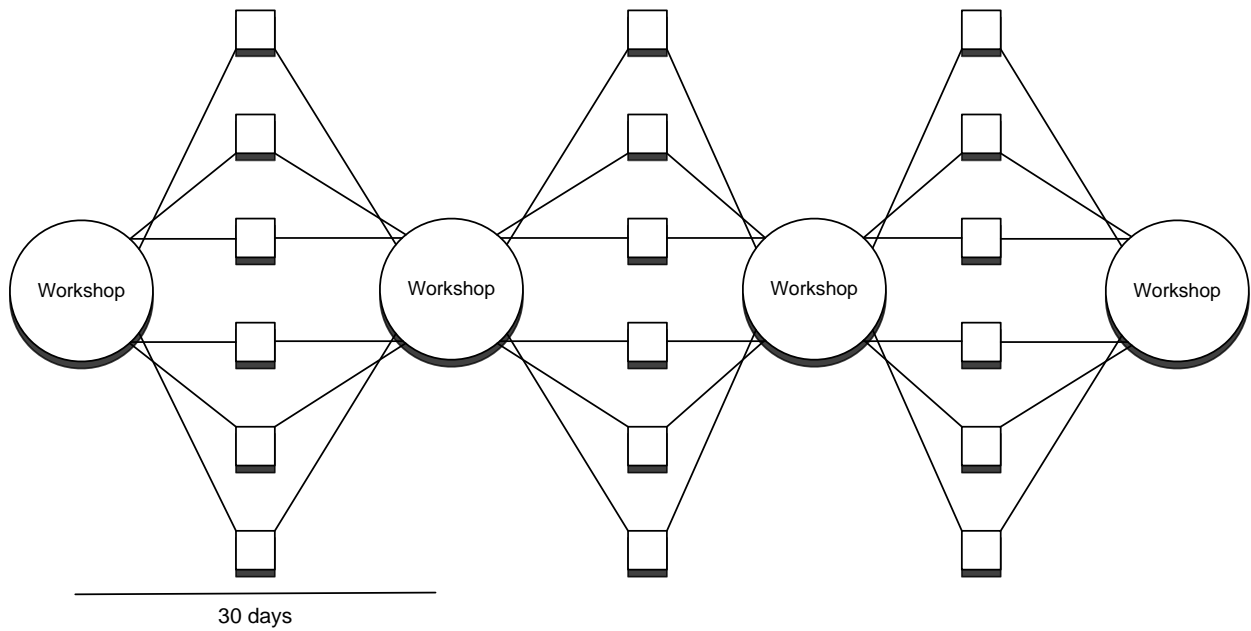


Strategic Doing is a discipline that guides open innovation. It implements “open source” economic development. The Strategic Doing cycle moves people through a process in which they:

- Connect their assets to define new market opportunities and create new value.
 - Develop clear outcomes together, and learn to share information.
 - Help each other on projects to accelerate the translation of ideas into action.
- Commit to an on-going process of strategic thinking, testing and evaluation to figure out “What works.”

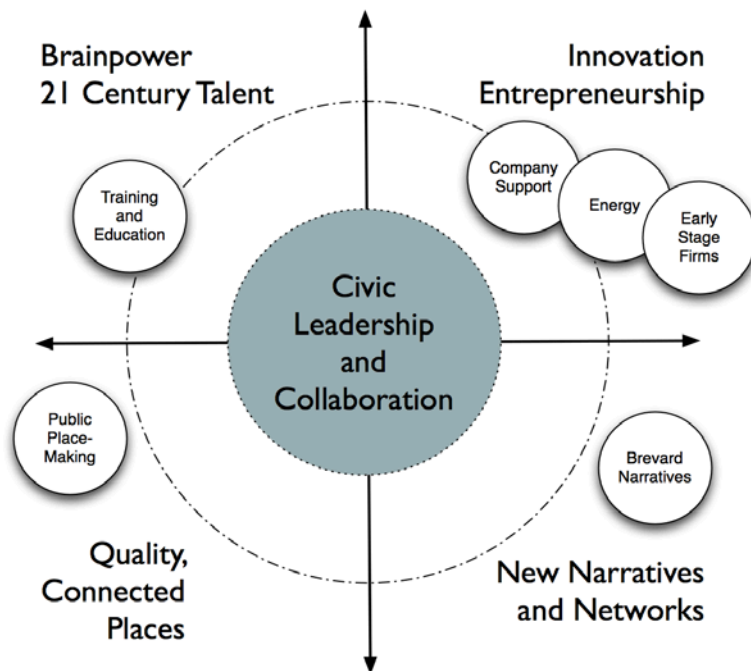
The goal of this strategic process is to identify joint investment initiatives that are **replicable, scalable and sustainable**. Repeating the Strategic Doing cycle until it is second nature builds the strong connections between people and organizations needed to support these transformative investments. With stronger connections, the more likely new clusters forming within the county will reach the critical mass needed to attract resources and yield tangible results. **Communities and regions with stronger open networks will be more competitive in the long run: They will learn faster, spot opportunities faster and act faster.**

Putting Strategic Doing into practice involves a workshop-driven approach until the workshop participants learn how to practice Strategic Doing on their own. The process encourages planning and action in monthly iterative loops. Short cycles are necessary for Strategic Doing participants to learn, begin practicing the new discipline of collaboration, and produce results to keep them motivated.



With guidance from the Purdue Center for Regional Development, it took two workshop-based cycles to get to the point where a core group of people, with some help, could produce this first version of a strategic action plan. This plan will steadily improve as the individuals involved help move it forward.

Closely coupled to Strategic Doing is a **framework of economic transformation**. The framework consists of four quadrants that together capture the four necessary investments for enduring and resilient economic growth. At the center is the requirement of goal-driven civic leadership and collaboration. Strategic Doing first focuses on building the skills to practice civic leadership and collaboration, and then on putting those skills into practice. Without this center-led leadership and



collaborative practices, initiatives mapped to the other four quadrants will produce sub-optimal results at best and at worst will fail.

This framework depicts a regional economy as a network of collaborative networks. To thrive in this environment, regional economies need **a balanced portfolio of investments** that encourage new, purpose-driven networks that collaborate with each other in the following five areas:

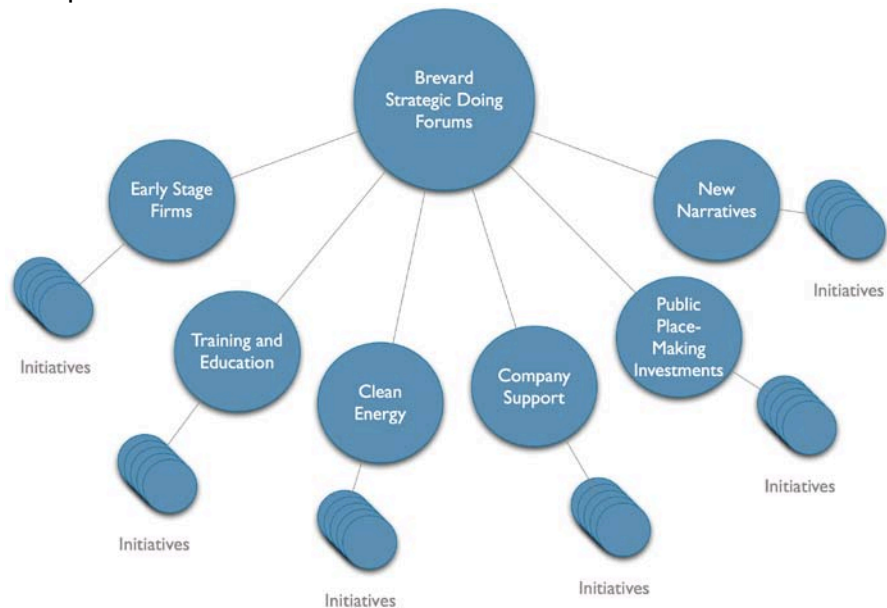
- **Strengthening Brainpower** to ensure a continually strong foundation for building sustainable competitive advantage.
- **Connecting innovation and entrepreneurship networks** to attract and convert brainpower into wealth through new products, new services, and new markets.
- **Building quality, connected places** to attract and retain the wealth a region builds through innovation and entrepreneurship by offering the best combinations of healthy “live, work, and play.”
- **Promoting new narratives and networks** to tell positive stories about a prosperous region and to use its connections to attract more brainpower and capital.
- **Strengthening collaboration** to develop civic habits of thinking and acting together to quickly spot and capture growth opportunities.

The planned initiatives, although well-balanced, focus on the highest priority for the county, “innovation and entrepreneurship.” The initiatives are “strategy mapped” in this framework.

The Focus Areas

For the next 12 months, the strategy will emerge from six (6) focus areas, some of which have transformational potential:

- Company-support projects
- Clean Energy
- Early-stage firms and entrepreneurs
- New Brevard narratives
- Public place making investments
- Training and Education



In addition to the six initiatives, Brevard County will continue to develop a strong core team of people through Brevard Strategic Doing Forums to provide civic leadership while implementing the best practices of collaboration across all initiatives.

The core team's long-term goal will be to become an important hub for economic development conversations and action. For it to become a hub, the core group will have to find a way to provide value to all the stakeholders. This value is rooted in three important dimensions:

- **Focus:** the core group will guide a regional economic development process and portfolio-based approach to managing initiatives.
- **Scale:** Through a process that focuses on measurable results, the core group will open new avenues for investment.
- **Alignment:** Through the engagement of different parties involved in regional transformation, the core group will enable the region to recalibrate and learn continuously about what works.

Company-Support Focus: First Year Initiative

Develop a comprehensive database of manufacturing and technology businesses to allow companies to feature their capabilities, certifications, and contact information to build relationships with other local companies

Outcome and Metrics

1. Local companies will be able to post/update the following information:
Contact info - Technical Capabilities - Certifications/Registrations - Unique Services they can provide. (They will be password protected).
2. Businesses (local/out of area) searching for partners/sub-contractors/specific needs will be able to search in many different ways (keywords) to find what they need.

Initiatives and Milestones

With regards to the data base the Company Support Network will measure progress by:

- Initially merging the current EDC database and a Manufacturing database into the new database
- Begin with about 550 companies but grow the number to eventually encompass every "technology" company in the database.

Stronger Connections Needed

The Company Support Network recognizes the importance of marketing the database to local businesses as well as outside businesses. Once the beta testing of the site is completed the Company Support Network will call up on the rest of the Networks to help market the availability of the database.

Next Steps

- Finish database and beta test
- Push out marketing efforts including: media, strategic doing network connections and other business association connections

Energy Focus: First Year Initiative

Outcome and Metrics

The Energy Network is structuring specific initiatives and milestones around the establishment of a new cluster of companies in emerging energy technologies.

Metrics:

- 1) Investment in new energy technology companies;
- 2) Number of companies actively engaged and financially supporting the cluster

Initiatives and Milestones

- Host an Energy Summit in September 2010
- Form an energy consortium as a non-profit entity
- Develop a strategic plan for the consortium
- Obtain funding for initiatives that will demonstrate clean energy efforts in Brevard

Connections Needed

- Access to state level funding for weatherization projects that can boost employment in Brevard for clean energy efforts
- Collaborative risk taking with Brevard County to engage in larger weatherization program

Next Steps

- Grow consortia membership and their ties to clean energy efforts

Training and Education: First Year Initiative

Outcome and Metrics

Brevard Training and Education Network, a hub and spoke network operating in the county to provide expanded training and education choices from multiple educational institutions.

- 1) Determine the actual requests for training from business and industry and determine what gaps currently exist, if any
- 2) Efforts were put into obtaining and utilizing a foreign trade grant to assist displaced individuals. However after education partners did research it was determined none of those impacted by TAA in Brevard County desired assistance.

Initiatives and Milestones

- Compile electronic summary of existing programs currently offered to support small business, budding entrepreneurs and aspiring individuals with innovative ideas. Distribution will be coordinated with Entrepreneurship and Early Stage Companies.
- Develop needs assessment to address any gaps in training services

Entrepreneurship and Early Stage Company Focus: ***First Year Initiative***

Outcome and Metrics

Establish an angel capital network and early stage venture funds with \$5 million in available financing for early stage companies; exposure of early stage companies to venture and angel capital networks; and distribution of entrepreneurship information on a broad basis.

Provide greater connectivity between the workforce system and entrepreneurial or small business assistance resources available in the community.

Initiatives and Milestones

- Establish seed funding
- Identify entrepreneurs (home-based and brick and mortar)
- Develop network for collaboration
- Implement a toolkit approach to connect the workforce system with entrepreneurial and small business assistance resources

Connections Needed

- Stakeholders such as TRDA, SBA, SBDC, BCC Entrepreneur efforts, Founders Forum, UCF incubator, etc. to implement toolkit approach
- SF, TRDA and others to lead venture capital network and financial establishment connections

Next Steps

- Invite stakeholders to initial orientation meeting to understand the functions and connectivity that can be achieved with the workforce system for the toolkit implementation
Determine specific toolkit items to use to connect job seekers who want to be or are small business owners with community resources
- Review toolkit for validity and implementation issues and beta test

Recommended Federal Action

- Extend the JumpStart initiative that is currently supported by the Economic Development Administration, into Brevard (This initiative is currently focused in the Mid West and upstate New York)
- Participate in the USDOL /Employment and Training Administration (ETA) technical assistance pilot on best and promising practices for supporting small business development through the workforce system

Public Place Making: First Year Initiative

Outcomes and Metrics

- 1) Eliminate liability issues preventing Amtrak from expanding into Brevard County. Outcome metric: An agreement among the parties that resolves liability issues freezing development of Amtrak.
- 2) Establish a strong support network to focus Florida's high speed rail plans to include Brevard. Outcome metric: Inclusion of Brevard in the state's high speed rail network.

Initiatives and Milestones

The group did not determine any initiatives or milestones, connections, metrics or next steps.

New Narratives: First Year Initiative

So many stories and tasks built the present. We must capture their spirit, and immense skills, and strengths, and drive, to be rethreaded into the loom of the future. A new narrative will be woven, what will it be?

Outcome and Metrics

Begin focusing conversations, media, and outreach on what *is* going to happen instead of what is going away. This new narrative will include: a focus on growth and prosperity; demonstrating that all modes of transportation occur here in Brevard; we are innovative, highly skilled and this is a great place to work and play; Brevard is connected to the world; and youth need to connect to the upcoming opportunities.

Initiatives and Milestones

- Tell story of past and future – show Brevard's talents
- Capture the workforce – show them the future they could have with their investment in the community (i.e. technology transfer, entrepreneurs)
- Seek out ways to engage federal agencies and others to open up 'field offices' for their high skill jobs, which would result in the workforce staying in Brevard
- Develop or enhance websites and messaging to bring more businesses here.
- Seek multiple organizations commitment to speak the same message of growth, prosperity, right kind of workforce for high skilled jobs.
- Reach for celebrity status to voice the message.

Connections Needed

- Strong commitment between news outlets, Space Florida, Economic Development Council, Brevard Workforce, and the various networks in order to promote the positive things coming from those networks
- Celebrities that are readily identified with the Space Coast who are willing and able to do a positive message piece
- Tourism Development connections to make sure the message is part of their reach as well

Next Steps

- Develop message points
- Engage entities to form unified message among stakeholders
- Engage celebrities for positive message piece
- Highlight new businesses now so others can see the growth already

Resource and Funding Needs

Transforming Brevard County: The First Year Plan has several items needed to ensure the actions listed above continue to come to fruition.

First, the Plan is ever-changing and certain administrative attention must be given to each Network to ensure progress or change in direction,. Additionally, all Networks need the opportunity and space for information exchange on their activities and accomplishments, resources needed to continue actions and offerings they can provide other Networks. Brevard Workforce will assist with engaging the Networks and coordinating the provision of information in a public arena as funding and staff resources allow. Eventually, BW envisions a self-sufficient network of strategic doing activities that can be pulled together through online technology by any network member.

Second, funding the initiatives will be vital. Each Network's ability to access private donations, grant funds or competitive procurements will be one of the topics that BW brings forward to encourage a sustainability plan and to connect them to vital resources.

Third, some mechanism for demonstrating the success of each Network and encouraging an ever-widening approach to strategic doing must be considered over the next two years. With more issues to tackle it is strongly recommended that follow-up sessions are conducted with Purdue University's assistance.

Finally, a replication of the North Central Indiana Opportunity Fund is strongly recommended as one of the initiatives the Networks should focus on over the coming year. This Opportunity Fund structure is similar to the SBIR program with staged grants for promising initiatives. The Fund is targeted to triggering co-investment in these promising initiatives, and focuses on identifying transformative co-investments that are replicable, scalable and sustainable. The Opportunity Fund's initial investment can come from a variety of sources including grants, business support or community foundation support. The suggested initial investment is two million as a start for the re-investment strategy in the most promising initiatives.

Summary

The key to keeping Brevard County competitive through this changing economic time is market diversification. Brevard business, community, government, and economic development leaders understand the importance of economic diversity. Their involvement in developing Transforming Brevard County: The First Year Plan is evidence of a strong desire to aggressively pursue this diversity. The Space Coast is already home to several rapidly expanding industries, including commercial aerospace, aviation, advanced communications, electronics, homeland security and emerging technologies. With the available workforce to help diversify Brevard's economy, the Space Coast can and should win high-stakes economic development projects in multiple industries.

Brevard has all of the necessary components: talent, facilities, leadership and desire to lead the world in space science and technology development. The Space Coast is well-positioned to take advantage of the space program transition and through continued strategic doing activities Brevard's leaders and citizens can lend their resources to this transition ensuring even greater diversification.

Six Networks have already started the journey toward making Brevard more: innovative in attracting emerging technologies; supportive of small business efforts that can launch new worlds from available aerospace technology; a premier location for alternative/clean energy efforts including research, development and manufacturing; a strongly connected business resource environment; and a rapid response community that is able to capitalize on a high-tech workforce that is energized for the coming opportunities in Brevard.

This journey cannot be made alone and Brevard Workforce invites each of you to lend your talent and time to determining our future.