
Council Business Packet

Update: March 5, 2009

Contents

Next Generation Manufacturing Council

Water Council

Regional Workforce Alliance – WIRED

FUEL Milwaukee

Public Policy Committee

Marketing Council

BizStarts

***Contents of the Business Report are posted on
choosemilwaukee.com.***

March 5, 2009 Milwaukee 7 Council Meeting to take place at:

Manpower, Inc.

100 Manpower Place, Milwaukee, WI 53212-4030

8:45 a.m. – 10:30 a.m.

NGM Council Meeting Minutes, Wed, Feb 4, 2009

Present: Marcia Arndt, Bill Berezowitz, Claus Dunkelberg, Brian Grabowski, Karl Grunewald, Cathy Harrison, Ken Heins, Mary Isbister, Jim Kerlin, Mike Klonsinski, Mike Mortell, Pat O'Brien, Mark Rolison, Colin Scanes, Jim Scherer, Duane Schultz, Elizabeth Thelen, David Tomczek, Sam White, Marjorie Yoshida

Mike Klonsinski, WMEP

The ground-breaking study to assess the global competitiveness of Wisconsin manufacturers reveals that Next Generation Manufacturing strategies are a powerful catalyst for world-class performance and success and that manufacturers that are achieving world-class NGM benchmarks - whether they are large, midsize or small companies - reach much better levels of operational performance.

More than 500 manufacturers responded to the Wisconsin Next Generation Manufacturing Study, which was conducted by the Manufacturing Performance Institute (MPI), a global research firm that annually conducts the largest study of manufacturers in the U.S. Surveys will be administered again in 2012 and 2015 to measure improvement.

Next Generation Manufacturing refers to a framework of forward-looking strategies that are driving manufacturing growth and profitability in the 21st century.

NGM Is About the Future

- ▶ Wisconsin's manufacturers need to be *good* to survive the recession of 2009.
- ▶ Wisconsin's manufacturers need to aim toward a 2015 economy if we want to be *great*.

Manufacturing and the Wisconsin Economy

- ▶ 10,000 Manufacturing firms
- ▶ 500,000 jobs (direct)
- ▶ \$47 billion GSP (21% of state GSP)
- ▶ *100,000 jobs at risk*

NGM Scorecard

- ▶ Customer-Focused Innovation
- ▶ Advanced Talent Management
- ▶ Systemic Continuous Improvement
- ▶ Extended Enterprise Management
- ▶ Sustainable Product & Process Development
- ▶ Global Engagement

NGM Performance Gap Assessment, Methodology & Rationale

To assess performance gap in the 6 NGM Attributes against:

- ▶ Awareness of importance
- ▶ Self-assessment of performance
- ▶ Real performance (output)
- ▶ Real Commitment to required input (*Input is controlled by CEO and influenced by policy - output is not)

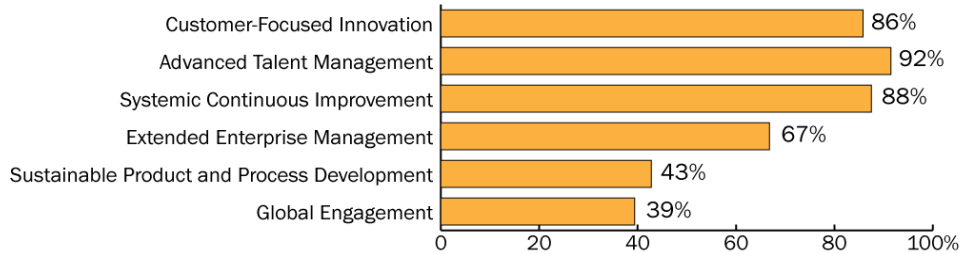
NGM Key Demographics

- ▶ 531 Manufacturing leaders responded to the NGM Survey
- ▶ North/West Central (6.2%)
- ▶ East/Central (20.2%)
- ▶ South (18.5%)
- ▶ 284 Southeast (53.9%)
- ▶ No Region Identified (1.2%)



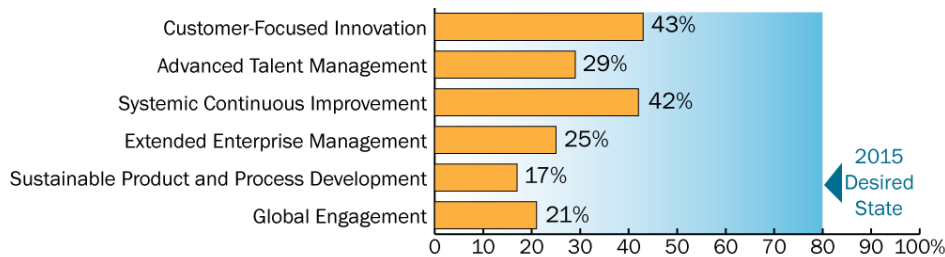
NGM Awareness

Wisconsin manufacturers understand the need for world-class performance.



NGM Self-Assessment

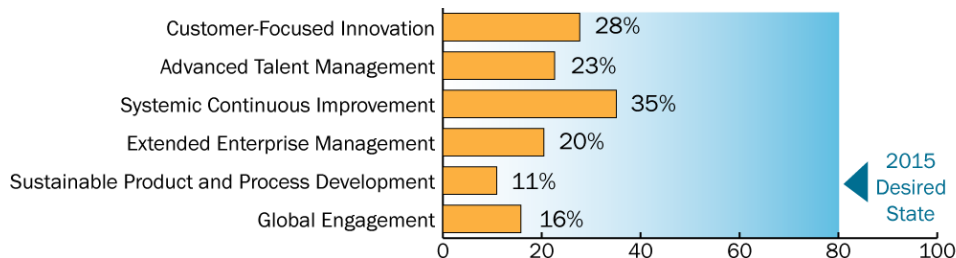
Wisconsin manufacturers have made uneven progress in achieving world class performance in the 6 NGM Success Attributes



80% of companies need to achieve good to world-class performance by 2015.

NGM Measurement Gap

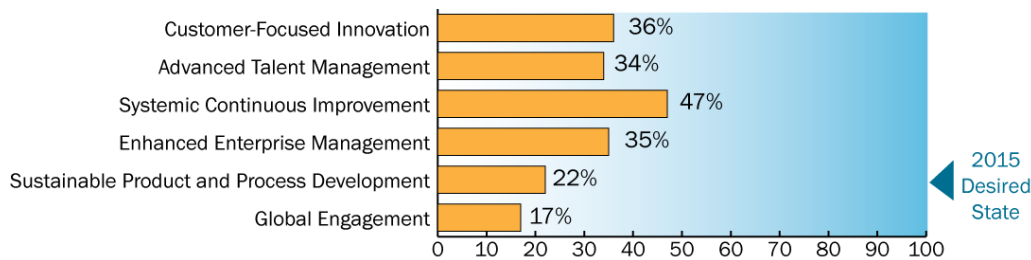
What gets measured gets done.



80% of companies need to achieve good to world-class performance by 2015.

NGM Regional Support Evaluation

Perception of Strategy Support



100% of companies throughout WI need the resources available to reach NGM by 2015

NGM Key Performance Indicators

	Performance Indicator	Current	Desired
Customer-Focused Innovation	% investing >5% of sales in R&D	27%	80%
Advanced Talent Management	Training Hours >20 per employee	28%	80%
Systemic Continuous Improvement	% with >75% of workforce engaged in CI	42%	80%
Extended Enterprise Management	% view suppliers as strategic partners	22%	80%
Sustainable Product & Process Development	% with >90% of products completely recyclable	25%	80%
Global Engagement	Companies with >1 out of country sales office	37%	80%

Next Steps

- Promotion of NGM throughout Wisconsin
 - Manufacturing roundtables
 - Economic development entities
- Coordination with State Public Policy Initiatives
- Partner-Service Development around NGM strategies
- National promotion of NGM
 - Multi-state survey starting February 10
 - MEP Association focus on NGM
- WMEP Actions
 - Manufacturing Matters! 2009
 - Service line expansion to support NGM
- Next Generation Manufacturing Institute

Full statistical tables of the Next Generation Manufacturing Survey, consolidated analysis of the statistical tables, to learn more about the NGM Survey, and to learn more about the six major NGM Success Attributes, go to <http://www.wmep.org/NGMSurveyResults.aspx>

Annual Manufacturing Matters Conference: May 19

Elizabeth Thelen, Regional Workforce Alliance

NGM Marketing/Branding: Create our own website

Website proposed content:

- ▶ Industry Tours
- ▶ Career Days in High Schools
- ▶ Listing of Certificates to Advanced Degrees
- ▶ Companies with Internships and scholarships
- ▶ Informational Websites (include dreamitdoit.com)
- ▶ Media / Marketing connections and happenings
- ▶ Career Decision-Making Process: Show career seekers that manufacturing has careers and how to get them
- ▶ Shout the positives of manufacturing: images and stories showing the innovative side of manufacturing
- ▶ Sourcing Career Manufacturing Information: A place to coordinate / share regional information

Phase I – Develop Website

Phase II – Expand, Monitor

Phase III – Monitor, Measure, Expand

NGM Website Questions:

- ▶ Who is the audience? Students or manufacturers? Or both? Can it be the same site?
- ▶ How do we measure success?
- ▶ Audience is students? What will they watch or look at? What will interest them?
- ▶ Audience is manufacturers? Where to go for training for employees? Sources of funding/grants? International Trade services and knowledge? Department of Commerce and Workforce Development resources, services, and funding? What exactly will be useful to you, the manufacturer?
- ▶ Technical issues: Hosting? Staffing? Funding? Marketing?

Update from UWM (Colin Scanes)

1. Recruitment for new faculty in advanced manufacturing is underway.
2. Under Federal DoD Appropriations for FY08 and 09, UWM will have almost \$4 million in new research contracts for advanced materials.
3. We are initiating developing of the industrial innovation institute

Update from MWTA (Peter Beitzel)

EB-5 is about to have its first approved petition. We have 12 pending. These are \$500,000 investment increments that allow the investor a temporary green card that can lead to a permanent green card. We have 2 projects in play and 2 are under review, We expect many petitions to be filed this year.

The MWTA has its annual trade conference on May 12 with sessions on China, India, Trade compliance, Internet use in the world marketplace, and the Governor presenting his annual export awards (at the ICC).

Check mwta.com for monthly international business events.

Next Meeting: Wednesday, May 6, noon-1:30pm

Mike Erwin has invited the NGM Council to meet at “our newly expanded and LEAN operation in the Falls...we have also designed and started up the 14 student Menomonee Falls Second Chance classrooms here on site (just this month!)....it would make for a great tour on NGM in action as well as a great show-and-tell on the student environment.....we celebrate 25 years in business next spring and plan on an open house in May anyhow.”

The Milwaukee 7 Water Council continues to spearhead the fastest-growing economic development initiative with the highest potential in decades, running up-stream from the latest trends. At the strategic actioning session held in September, participants outlined several key action items that the Council has been actively working on to ensure its continued growth.

The most recent meeting of the Water Council occurred on January 29th at A.O. Smith World Headquarters. Led by Water Council co-chairs Paul Jones and Rich Meeusen, the meeting provided members with committee updates and an opportunity to view a documentary film being developed by UWM students about Milwaukee and water. During the meeting U.S. Senator Russ Feingold took time from his busy schedule in Washington to phone into the meeting to provide an update on his E-4 Initiative, the stimulus package, and to lend his support to the Water Council efforts. The meeting ended with an update from UWM Chancellor Carlos Santiago, Jack Johnson, of the UWM College of Letter & Science and Val Klump, director of the Great Lakes WATER Institute on the proposed UWM School of Freshwater Sciences.

Immediately following the Water Council meeting, the newly formed Water Council Board of Directors met for the first time. Members of the Board include:

Richard Meeusen, Badger Meter	President
Paul Jones, A.O. Smith	Vice President
Barry Grossman, Foley & Lardner	Secretary
Julia Taylor, Greater Milwaukee Committee	Treasurer
Paul Purcell, Robert W. Baird	
Mary Jean Huston, The Nature Conservancy	
Dick Leinenkugel, Department of Commerce	
Carlos Santiago, UW-Milwaukee	
Laurent Auguste, Veolia Water North America	
Daniel Bader, Helen Bader Foundation	
Franz Hoffmann, Water Council Consultant	
Michael Jones, MillerCoors*	
Fr. Robert Wild, Marquette University*	

*Joined subsequent to the Water Council Board meeting on 1.29.09

At its first meeting, the Board approved the Articles of Incorporation, Bylaws, Organization Consent and the slate of officers. These acts paved the way for the Water Council to submit its application to become a nonprofit 501(c)3 organization and begin the next step towards becoming a member organization. In addition, the Water Council has also taken the necessary steps to apply to become a member of the UN Global Compact Cities Programme. If the application is approved, Milwaukee would become only the second city in the United States, along with San Francisco, in the UN Global Compact Cities Programme. Under the program, Milwaukee would become a center of expertise in water.

Another key initiative of the Water Council is internships and talent. On February 5th, the Education/Talent Committee held a Best Practices workshop on internship and co-op programs. Working in conjunction with UW-Milwaukee, UW-Whitewater, Marquette University and MATC, participants were invited to learn more about the benefits of these valuable programs from industry and former interns turned employees.

The University/Corporate Linkages committee met on February 19th to further discuss the cooperative effort between UW-Milwaukee and Marquette University to pursue a National Science Foundation grant to create an Industry University Cooperative Research Center (I/U CRC). This center would provide a structured mechanism for industry and academic researchers to work together on common industry defined research challenges. More than 50 participants joined the meeting to learn more from NSF Program Director Babu DasGupta, who discussed the center structure and application process.

Lastly, funding is key to many of the Water Council's initiatives. In addition to funds raised through membership, the Council is actively applying for grant monies and will continue to explore ways to attract stimulus dollars for water-related programs.

UPDATE: RWA

MILWAUKEE 

The Regional Workforce Alliance continues to implement strategies that will begin building a more seamless talent development system within the seven-county region through the \$5.1 million WIRED initiative. As background, the Milwaukee 7 region is one of 39 areas across the United States to participate in the Department of Labor's WIRED initiative.

Talent Driving Prosperity

One factor influencing a region's competitiveness and overall prosperity is the available talent pool. Site selection and expansion decisions now tend to weigh the talent pool as much as more traditional considerations. While the seven-county region of Southeastern Wisconsin is home to dozens of strong institutions that contribute to educating the talent pool, no single entity alone is comprehensive enough to address the challenges or seize the opportunities that exist. A networked or lean supply chain management system model is one way to describe the approach. A more proactive, systemic approach that aligns resources upstream to produce the right amount of talent with the right skills when and where needed, will help increase the prosperity of the region.

Finding Opportunity

Even with an economic downturn, a shortage of workers with the correct skills looms on the horizon for Southeastern Wisconsin and economists warn of the impacts that a talent mismatch will have on individuals and employers in the region. The current economic conditions have deepened the resolve of many leaders to continue building the infrastructure needed for a talent development network in the region. RWA leaders are working now to ensure that we have the systems in place to provide the talent needed to fuel economic expansion for when the economic cycle shifts from downturn to growth.

Innovation Fund

To date, the RWA Innovation Fund has awarded \$1,678,692 and leveraged an additional \$1,594,585 for a total investment of over \$3.2 million in projects that bring innovation to the talent development system in the seven-county region. The Innovation Fund and WIRED initiative provides resources for system change. One common element of all the Innovation Fund awards is the investment in connections between institutions and organizations. Innovation and transformation most often happens at the intersections between organizations and thus single, stand alone projects are not eligible for funding. Examples of recent projects include:

- \$35,000 – Water Industry and University Research and Development Collaboration
- \$100,000 – English language learner and manufacturing skills project
- \$120,000 – college internship development project by Spreenkler
- \$120,000 - Think Insurance project to build insurance career pathways
- nearly \$200,000 for BizStarts and BizLearn entrepreneurship programs

Increasing STEM Skills

The percent of jobs that use Science, Technology, Engineering, and Math (STEM) skills is growing each year. These skills will be required not just in high paying, high tech careers but in entry level positions to an extent that has never been seen before. The RWA has a Portfolio of STEM Projects at the high school level and beyond to imbed these skills into curriculum, foster articulation agreements between institutions, and build the skills of educators to be able to deliver this content effectively. In addition, the RWA is supporting the STEM7 Initiative by the Milwaukee Engineers & Scientists organization in order to build a clearinghouse of STEM related contacts and opportunities

Knowing the Need

A study by Deloitte for Milwaukee 7 identified two target industries for attraction and expansion within the region. The RWA has a study scheduled to be completed in June 2009 that will identify the projected openings and competencies needed for key occupations in these industries. A subsequent forum with education providers and industry will help source the talent needed for growth.

Funding Alliance

Efforts continue to align the public workforce system investments and the private philanthropic funding toward common goals. The region will be participating in the National Fund for Workforce Solutions project over the next three years. The Donors Forum of Wisconsin, Helen Bader Foundation, Milwaukee Area Workforce Investment Board and others have created a working group to align the investments that each organization makes in the area of talent development. The RWA Steering Committee has funded a six-month start-up phase for the work group.

For more information see www.milwaukee7-rwa.org or contact Michael Mortell at 414 905-0105.

UPDATE: FUEL Milwaukee



FUEL Milwaukee adds services to achieve the core objectives of their regional talent strategy which include: growing the number of “great places to work;” increasing community engagement; and improving the image of the Milwaukee Region.

Increasing Community Engagement:

[FUEL Online](#) goes live. Unlike social networks such as Facebook and others, FUEL Online networks its members around their passion to impact the Milwaukee Region. Additionally FUEL Online offers professional and workgroups.

Note: FUEL has offered the group technology to the Milwaukee 7 as online space to organize the Next Generation Manufacturing Council.

FUEL launched its new [Adopt-A-Nonprofit initiative](#), adopting 8 area non-profits for a full year, providing them high-level volunteer support and access to FUEL's 6,000 member.

Growing the number of “great places to work:

FUEL, serving as the regional host to the national [When Work Work's](#) Alfred P Sloan Awards for Business in Excellence in Workplace Flexibility, kicked off its 2009 award process. In 2008 the Milwaukee Region came out tying for 3rd nationally for workplace flexibility.

FUEL is convening its 55 Employer Members for its first Employer Retreat in March. The desired outcome of the retreat is to unify employers around their regional talent strategy.

Additionally, FUEL recently launched its online [Career Center](#) better connecting its 6,000 members to local opportunities.

UPDATE: Public Policy



M7 REGIONAL POLICY SUB-COMMITTEE (Draft)

The M7 Regional Policy Sub-Committee (RPS) meets quarterly or as needed. It serves to identify, review and discuss public policy issues impacting the M7 region and suggest positions and action steps with regard to those issues to the M7 Executive Partners.

The RPS focuses its efforts on issues based on the following criteria:

- Is the issue regional in nature?
- Does the issue align with the regional economic development goals of the M7 and its partner groups?
- Does the issue enjoy general regional consensus?
- Is there a need for a regional advocate for the issue and can/does the M7 fill that need?

The RPS communicates its positions and recommendations to the M7 Executive Partners and, with Executive Partner approval, to the broader membership of the M7. The RPS also communicates the M7 positions to policy makers at the local, state, and federal levels.

M7 INCENTIVES POLICY (Draft)

From its natural resources to its outstanding education systems and productive workforce, Wisconsin and the M7 region have many strong assets to attract and retain jobs and business. In an increasingly competitive national and global marketplace, however, both state and local governments continue to be positioned at a significant disadvantage in terms of the job creation incentives available for their use.

The M7 supports aggressive expansion of current job attraction incentives and creation of new incentive tools that allow Wisconsin to compete on a level playing field with other states in the areas of capital attraction, regulatory flexibility, tax relief and job creation incentives.

M7 TRANSIT POSITION STATEMENT (Draft)

The competitiveness of the M7 Region is enhanced by a transportation infrastructure that includes a modern and reliable transit system. Employers find value in a system that connects people to jobs while serving the broader needs of the community, and well-functioning public transit systems are vital to economic development efforts and community growth.

Unfortunately, current transit systems throughout the region are both undercapitalized and poorly integrated into a regional service. For this reason, the M7 supports efforts to identify and develop a dedicated funding mechanism to adequately support existing and expanded public transit, and for the proposed Kenosha-Racine-Milwaukee (KRM) commuter rail system. We further support a regional governance entity to ensure that these various systems are well integrated to serve the regional economy.

The M7 is committed to working with the existing Southeastern Wisconsin Regional Transit Authority (RTA), other regional and community partners, businesses, and elected officials to support a regional governance structure and dedicated funding mechanism for public transit in Southeastern Wisconsin.

UPDATE: Marketing Council

MILWAUKEE 7

Communications Plan & Budget

A Communications Plan and corresponding Budget for Milwaukee 7 has been completed by the Marketing Council. The plan includes tactics and proposed expenditures aligned with the priorities of Milwaukee 7 and is aimed at increasing the overall awareness and visibility of the seven-county region. Implementation of the plan is presently on hold pending allocation of funding. Initiatives that entail no or limited costs will continue to be pursued but more extensive efforts, which would include greater expenditures, will be postponed until funding has been committed.

Milwaukee 7 Water Council

With the Water Council building up steam, additional attention has directed toward more promotional and marketing tactics including:

Water Council Membership Campaign

The Water Council is in the process of developing a membership campaign. Founder's letters have been sent to several key organizations that are actively involved in the Water Council to raise funds to help cover operating and other expenses, including marketing and promotion. A tri-fold piece has been developed that details the benefits of becoming part of the Water Council and outlines the various membership levels. Additional membership letters are being distributed the week of February 23.

Water Council Collateral Materials

(See the Milwaukee 7 Collateral Material section of this report for information.)

Expert Source List

The CEO Call Program identified more than 120 water-related companies in the region. A directory of these companies is being developed as a resource tool for members. In a related matter, the Marketing Council is working on the development of an individual expert

media source list. These would be individuals who would be marketed to national media outlets as individuals who could speak on a wide-range of water topics. This expert source list could also be useful as a source for potential speakers for national and international conferences.

Conference and Meetings

A strategy to create greater awareness of the Milwaukee region's expertise in the water industry, as well as increase general familiarity with the region as a whole, is to host regional, national and international conferences and meetings. Working with VISIT Milwaukee and the City of Milwaukee, the Water Council has already secured the 2010 Conference of The Great Lakes and St. Lawrence Cities Initiative, which is a bi-national coalition of mayors and other local officials which works actively with federal, state, and provincial governments to advance the protection and restoration of the Great Lakes and the St. Lawrence River. Additional conferences and meetings are being identified and contacted to offer Milwaukee as a meeting site, as well as offering Milwaukee water experts to serve as conference speakers.

UN Global Compact Cities Programme

As part of an effort to raise Milwaukee's visibility across the world as a hub for water technology, the region has applied to the United Nation's Global Compact Cities Programme to be one of thirteen cities around the world which are translating the overarching ten principles of the UN Global Compact into innovative, concrete and sustainable solutions. The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption. By becoming a member of the Cities Programme, it is the expectation of the Milwaukee region to begin to share with the rest of the world our knowledge, expertise and innovations related to water technology. An answer on this application is expected by the end of April 2009.

Milwaukee 7 Collateral Material

As Milwaukee 7's target industries become further defined there is an increasing need for the creation of collateral material for business and talent prospects that describe the industries as well the seven-county region. Efforts are currently underway on developing two separate promotional pieces that include a general brochure and a folder designed to be customized to the needs of targeted audiences, and easily updated with ongoing regional developments and successes. These materials will begin to be available by the middle of March.

Midwest Airlines: My Midwest inflight magazine & AirTran: Go inflight magazine

Following on the success of the 36-page feature of the Milwaukee region in the October 2008 issue of United Airlines' *Hemisphere* magazine, two more inflight magazines will offer extensive features on the Milwaukee region. The development of these features was led by our partner VISIT Milwaukee.

Midwest Airlines will include a 30-page feature on the Milwaukee region in their March/April issue of their inflight magazine *My Midwest*. Indications are that the focus of the content will be directed more at the business audience. It is estimated that there are 1,000,000 readers per issue, including the online edition. 41% of the readers earn in excess of \$150,000 per year and nearly 18% work in a profession where their title is Vice President or higher.

Within a month of that feature, AirTran will also have a 30-page feature about the Milwaukee region in their magazine *Go*. The content for this feature will be more directed toward the leisure traveler. *Go* reaches more than 2,000,000 passengers per month, half of whom are business travelers, and 45% earn more than \$75,000 per year.

Each of these significant features will be invaluable to raising the national visibility of the Milwaukee region. They also serve as a tremendous third-party endorsement of what is being created in the seven-county region. The added advantage is that these types of features have a high advertising equivalency value -- the United Airlines piece alone had an equivalency value of \$2.2 million.

Insider Briefings

Insider Briefings are held to update the public relations and marketing executives of Milwaukee 7 investor corporations and organizations. Currently there are nearly 50 individuals participating in the Insider Briefings. The purpose of the Briefing is to keep these professional communicators and, more importantly, business and community executives, informed of Milwaukee 7 activities. These communicators are responsible for providing clear, concise talking points on Milwaukee 7 in the event that their executive management are invited to speak before a group, talk with someone from the media, etc.

The next briefing has been scheduled for April 14th with Rich Meeusen, Chairman, President and Chief Executive Officer of Badger Meter and Co-Chair of the Water Council, speaking about the work of the Water Council and impact of the water industry in the region.

“Something To Talk About”

Outside of the Milwaukee 7 marketing campaign, VISIT Milwaukee is proceeding with its publication, “Something To Talk About.” The brochure reflects what people, especially outsiders or recent residents to the region, find surprising and positive about the Milwaukee region, as told through quotes from national and international news outlets, local celebrities and leaders, as well as positive national rankings and factoids. The piece is currently in production and will be distributed by the third quarter of 2009.

UPDATE: BizStarts



- More than 40,000 hits on Bistartsmilwaukee.com since its launch Sept. 30
- Nine start-ups that have attracted outside funding tallied since mid-2008.
- 250 attendees at first BizStarts Connect face-to-face meeting with entrepreneurs.
- BizStarts Venture Track launches March 13. It's a program to accelerate would-be entrepreneurs through the business plan process to get them to a complete business plan.
- The Milwaukee Mentors program will launch the same day.
- BizStarts Learn, a consortium of entrepreneur educators from the 20 colleges and universities in the M7 region, kicks off March 3.
- An online community for entrepreneurs to talk to each other will launch in April.