

# Introduction to the Economic Development Partnership of North Carolina

Joint Appropriations Committee  
February 24, 2015

**Economic Development  
Partnership of North Carolina**

[edpnc.com](http://edpnc.com)

# Key Issues

- What is the EDPNC?
- What does the EDPNC do?
- How is the EDPNC structured?
- Why is the EDPNC a better model?
- How does the EDPNC interact with Commerce?
- What are the EDPNC's key priorities?
- What are the EDPNC's long-term challenges?

# What is our mission?

- To advance North Carolina's economic interests through job creation and capital investment driven by new business recruitment, existing business expansion, international trade, small business formation, and tourism.

# What is our vision?

- To be recognized as a premiere statewide economic development organization, helping drive sustainable, private-sector job creation and investment through collaboration, best-in-class sales and marketing tactics, and ease of doing business.

# What do we do?

- Marketing and sales organization
- What we're "marketing" and "selling":
  - NC as a location for corporate expansions and relocations
  - NC as a destination for tourism, group travel, amateur sports, and film-making
  - NC-made exports
  - NC as a place to start a new business

# What do we do?

- Marketing and sales organization
- Who we're "marketing" and "selling" to:
  - Companies evaluating where they will grow or relocate to
  - Tourists, meeting planners, amateur sports tournaments, film-makers, tour operators
  - Buyers and distributors of NC-made products
  - Would-be entrepreneurs and business owners

# How are we structured?

- Forecasted annual revenues
  - \$17.5 million in public contract funding
  - At least \$1 million in private funding in Year 1, then \$1.25 million annually in Year 2 and beyond
  - Federal grants for manufacturing assistance, export promotion, and regional priorities (as available)

# How are we structured?

- Forecasted expenditures (FY2015)
  - Marketing costs 55%
  - Personnel costs 23%
  - Professional services 10%
  - Travel 6%
  - Operations and overhead 6%



# How are we structured?

- 501(c)3 non-profit
- 17-member statewide Board of Directors appointed by General Assembly and Governor
- 47 FTEs
- Organized across 3 primary business units
  - Business Recruitment
  - Global Business Services
  - Tourism

# How are we structured?

- Headquarters in Cary
- Field representatives based around the state
- International contractors focused on investment, trade, and tourism promotion

Canada

Mexico

China (Shanghai / Hong Kong)

Japan

Europe (UK / Germany)

# Why is this a better model?

- More resources for our mission thanks to private sector investment
- More accountability for results and ability to reward individual performance
- More consistency in marketing messages aimed at target audiences
- More continuity in sales relationships with key decision-makers and decision-influencers

# Who else is using this model?

- Trend is towards public-private partnerships in state economic development
  - Harness private-sector resources for public good
  - States that have privatized include FL, UT, WY, RI, MI, AL, IN, VA, MO, OH, IA, WI, NJ, NM, AZ
  - IA, WI, NJ, AZ, OH have all privatized within past 5 years

# Where are we seeing benefits already?

- Operational flexibility and speed
- Increased collaboration inside and outside the organization
- Leveraging of private-sector resources
- Cost savings

# How do we interact with NC Commerce?

- Serve as contractor to perform marketing and sales functions on state's behalf
- Commerce handles “product” while EDPNC handles “promotion”
- “Sales office” and “finance office”
- Close working relationship that balances need for strong product and promotional effort

# What are our other key priorities?

- Culture of “strategic intentionality”
- Ensuring geographic diversity of efforts
- Expanding our reach into new markets
- Developing best-in-class tools for marketing, business-development, and sales efforts
- Developing a sustainable base of private-sector financial support to complement public funding
- Commitment to “product development”

# What are our challenges?

- Product awareness
- Product perception
- Product development
- Product vs. Packaging



# Our Keys to Success



# Thank You!

Jim Whitehurst, Red Hat

Tom Looney, Lenovo

Christopher Chung, EDPNC