

OHIO SEA GRANT AND STONE LABORATORY

# Business Retention and Expansion- Ohio's Lake Erie Marina Industry

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# What is BR&E?

A formal BR&E program is a structured effort involving a broad cross-section of community interests, engaged in ongoing dialogue with the business community to help existing businesses remain profitable, competitive, and efficient.

- George Morse, 1990

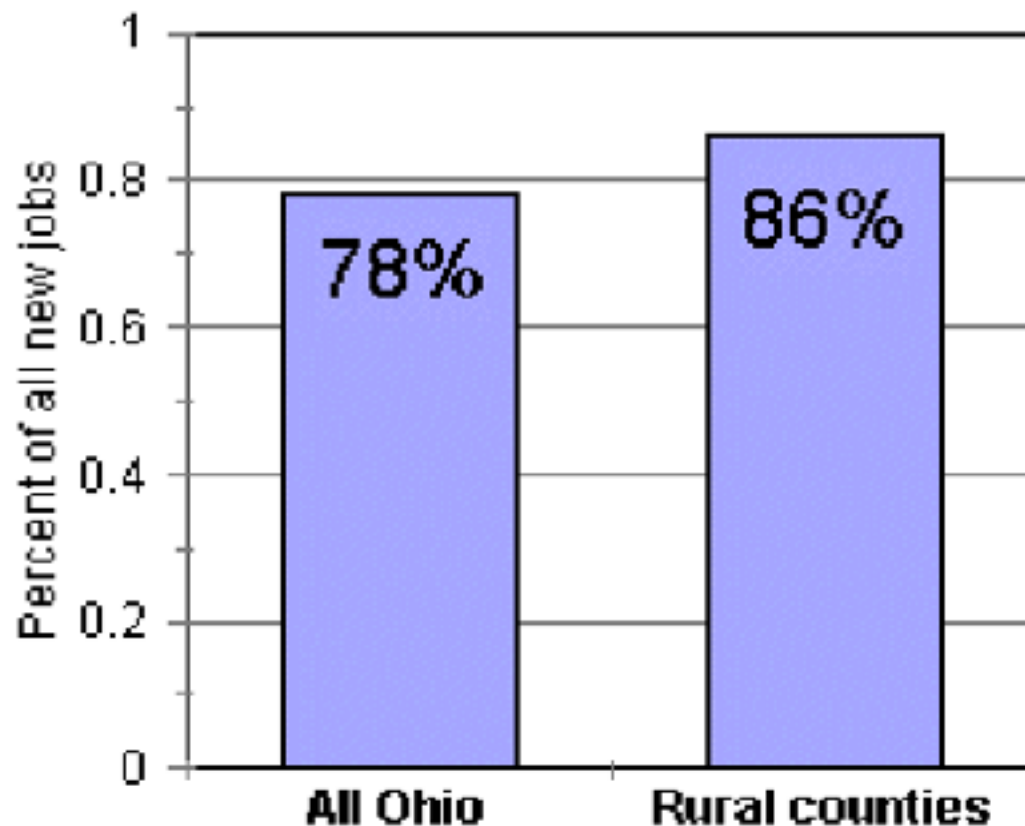


from *The Retention and Expansion of Existing Businesses: Theory and Practice in Business Visitation Programs*, ed. George W. Morse (Iowa: Iowa State University Press, 1990)

# What You Will Learn

- The reason for having a BR&E Program- for ANY sector
- Organizing, financing and implementing a BR&E program in your community
- Required Resources
- Setting Goals and Measuring Success

## Importance of Existing Businesses



**Jobs Created by Existing  
Businesses in Ohio**

**Dr. Dave Kraybill- OSU Dept.  
of Ag. Econ. & Dev. Sciences**

# Ohio's Lake Erie Marina Industry Business Retention & Expansion Program 2015 Final Report

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# Objectives of BR&E

- Improve quality of life
- Establish integrated approach to economic development
- Develop community economic decision-making capacity
- Develop a pro-business orientation
- Improve community leaders' response to residents' concerns
- Create factual basis for attraction and community marketing
- Engage community residents in a discussion of their local economy

## GOAL: Change knowledge, attitudes, skills, & aspirations.

1. Improve their understanding of the concept of economic development and appreciate the need to better understand existing businesses.
2. Be more familiar with the concept of an ongoing BR&E program.
3. Be more willing and able to play an active role in the development of their community and be more aware of the roles they can play in the development of their community's economy.
4. Devote time necessary to develop a working relationship with existing businesses in their region.
5. Be more familiar with different ways of analyzing data and more capable of interpreting data needed to make important community decisions.
6. Track key indicators specific to their community.

## Medium Term Objectives

**GOAL: Change behavior, practice, policy, etc.**

1. Use BR&E data and other secondary data available to make better-informed community decisions.
2. Adopt one or more recommended practices for retaining and/or expanding existing businesses as a result of formal BR&E efforts.
3. 'Donate' volunteer hours in undertaking the BR&E program in their community.

# Long Term Objectives

**GOAL: Change economic, social, and civic conditions.**

1. Jobs will be retained and created by existing businesses.
2. New businesses will be created.
3. Community leaders, residents, and businesses will engage in ongoing, meaningful dialogue related to the community's economy.

# Lake Erie Marinas BRE Outcomes

- 261 businesses surveyed- 51 respondents= 20% response rate
- 26-41 new FTE positions to be added in 12 months
- Creates up to \$52,250 in additional income tax revenue,
- Creates up to \$1,247,015 in personal income to Ohio's Lake Erie county economies
- 51 businesses plan to retain up to 1,011 jobs and create up to 41 new FTE jobs in retail and services business sectors

# Organizing a BR&E Program

- Select a Coordinator- this is the key point person in charge. There may be co-coordinators as well.
- Assemble the Task Force

## BR&E Coordinator

- A strong coordinator results in a quality process with positive results; a weak coordinator will not get the desired effect of the program. In fact it may actually damage community relationships
- In the eyes of everyone involved, the coordinator is viewed as a full time position while others are viewed as volunteers

# Suggested Coordinator Checklist

<b>Major Milestones</b>	<b>Target Date</b>
Constitute BR&E Taskforce	
Orient Task Force Members, discuss objectives, and methodology	
Identify targeted economic sectors and areas of focus to study	
Draft Questionnaire	
Provide draft questionnaire to Task Force for input	
Finalize Questionnaire	
Draft Communication Plan	

## Checklist Continued

Major Milestones	Target Date
Publish Survey	
Launch Program	
Begin Data Collection	
Finalize Data Collection	
Analyze and Interpret Data collected	
Address Red Flag Issues	
Communicate Results to appropriate agencies, committees	
Coordinate comprehensive Action Plan	

## Other Responsibilities

- Prepare the list for selection of businesses
- Collect the contact information for the targeted businesses, print the questionnaires and cover letters, and mail the materials
- Coordinate activities associated with business visits
- Collect and review questionnaires - The Coordinator is responsible for reviewing the completed questionnaires, sending thank you responses to businesses that complete a questionnaire, assessing the need for immediate action, and maintaining the business confidentiality

## Other Responsibilities- Continued

- **Coordinate responses to immediate business concerns - The Coordinator organizes a response to immediate business needs or “red flag” issues**
- **Manage the data entry and analysis process**
- **Coordinate action planning, program assessment and reporting**

## BRE Committee/Task Force

- **Extremely important to overall success of the program**
- **Contributes by providing solutions to local business issues**
- **Participates in critical economic development policy and decision making**

## BR&E Task Force

- The Task Force AND the Coordinator are ultimately responsible for using the information collected through the BR&E process to develop and communicate the story of the local economy to the public.

## BR&E Task Force

- **Time Commitment-** usually for a period of one year.

## **BR&E Task Force**

- **Committee Makeup:**
- **Should consist of 8-15 leaders from throughout the community.**
- **Need broad representation from: CED, educational institutions, local government and private enterprise.**

## Suggested Task Force

- Local Leaders with **USEFUL SKILLS:**
- Media Relations
- Data analysis experience
- Report Writing
- Computer Skills
- Organizational Skills

## Task Force Responsibilities

- Set clear, attainable and manageable objectives for the program
- Assist in securing endorsements from local supporting organizations
- Serve on committees; media relations, data entry, analysis and reporting, etc.

## Task Force Responsibilities

- Participate in the development of the business questionnaire
- Conduct business visits as appropriate
- Address local concerns and problems cited in the business surveys

## Task Force Responsibilities

- Participate in action planning and program assessment
- Participate in publicly announcing the results of the program (may include a reception or town hall meeting)

# Financing Your Program

- 3 Most likely Sources
- Utility companies
- Possibly RLF or CDBG
- Business and private donations

# Required Resources

- **Money**
- **Qualified people**
- **Time**

# Setting Goals and Measuring Success of Your Business Retention and Expansion Program

# Annual Task Force Action Plan Development

- Developing the annual action plan is the traditional approach to BR&E action and assessment.
- Task Force and Coordinator develop action items for analysis of the survey data and secondary data.

## Action Plan Development

- Purpose of the Action Plan is to develop short and long term recommendations and actions to support BR&E and overall community and economic development efforts in the community.

## Action Plan Development

- Each objective of the plan includes an action strategy that specifies tasks needed to meet the objective, who will implement the action, when the actions will be undertaken, and what resources are available to assist in the implementation.

## Resources

- Full Lake Erie BR&E Report available at:
- [http://comdev.osu.edu/sites/comdev/files/imce/FINAL APRIL %2015 LAKE ERIE MARINA FINAL BRE RE PORT.pdf](http://comdev.osu.edu/sites/comdev/files/imce/FINAL%20APRIL%202015%20LAKE%20ERIE%20MARINA%20FINAL%20BRE%20REPORT.pdf)
- Ohio Business Retention and Expansion Program:
- <http://comdev.osu.edu/programs/economic-development/business-retention-expansion>

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