

MEMORANDUM

July 21, 2011

TO: Planning, Housing and Economic Development Committee
FROM:  Justina J. Ferber, Legislative Analyst
SUBJECT: DED Marketing Plan

Budget Discussion: The PHED Committee discussed the Department of Economic Development's (DED) Marketing Program with the Director on April 13 and 29. Committee Chair Floreen proposed placing \$350,000 on the reconciliation list for DED's Marketing Program designating the source of funds from the increase in FY11 profits at the Conference Center. The Committee unanimously agreed to place \$350,000 on the reconciliation list for DED marketing initiatives, and the Council approved the additional funding in the FY12 adopted budget.

The PHED Committee asked DED to develop a marketing plan with the additional \$350,000 in funding. DED agreed to provide a plan to the Committee after budget prior to expending any funds and commented that they "would develop a plan based on priorities and opportunities available at the time the funding is received."

Budget Action: The following was included in the Council Resolution adopting the FY12 Operating Budget:

"This resolution appropriates \$350,000 to the Department of Economic Development for marketing. The Department must not spend or encumber these funds until 30 days after the Director has submitted a marketing plan to the Council for its review and comment. The Council expects that this plan will be submitted no later than September 1, 2011."

Materials received by DED are attached; however, there was no opportunity for Council staff to analyze the materials prior to distribution.

FY12 DED Marketing Fund Proposed Usage

FOUR STRATEGIC GOALS

KEY MODES OF REACHING TARGET AUDIENCE/CLIENTS

	Web Page	Direct Visits	Networking Local	Networking Non-Local	Multi Media	Trade Shows	Newletter Direct Mail	Training Programs	Ad Campaign & Placement
1. Retain and grow existing businesses, strategically attract new ones, and enhance entrepreneurial opportunities; work to ensure that all business sectors benefit from the knowledge-based economy									
2. Adapt to a more competitive business climate by creating an environment where knowledge-based industries and small businesses thrive									
3. Foster creative and strong partnerships with academia, federal research community, the private sector and various levels of government to pursue innovative projects, policies and best practices that support business growth and expansion									
4. Establish global linkages to facilitate business opportunities abroad, attract International investment to Montgomery County, and foster trade and joint ventures for Montgomery County businesses									

FY12 DED Marketing Fund Proposed Usage

Expenditure Category	Projected Costs	Date/Period	Description	Event Location/ Coverage Area	Event Background & Attendance	Output/Outcome	Lag Time before Outcome	Key Measure	Notes
DED Main Web Site	\$40,000	Phase I by Dec. 2011	Revamp DED web site in two phases. Phase II will include applications	National & International		# of visits, # of downloads, # of partner uploads	3-6 months after Phase I completion	Visit by key target groups, placement in the search engine	
DED Tech Transfer & Incubator Web Site	\$12,000	Completion by November	Updating of two DED's standalone web site	National & International		# of visits, # of downloads, # of partner uploads	3-6 months after Phase I completion	Prospects & New Tenants	Due to unique audience, two sites are separate from the main
Direct Visit	\$5,000	Throughout FY	Retention visit of major employers & industry leaders	Within the County	Mainly by DED staff, but Director and CE will visit strategic companies	# of visits, # of issues/problems resolved, data gathered	6-12 months after the visits	Compilation of key data sets on companies	With mileage reimbursement rate at 51 cents mile, this represents 10,000 miles
Networking-Local	\$15,000	Throughout FY	Attendance at industry networking/seminars	Within the County		Contacts/prospects identified	6-24 months	# of new projects, # of new B2B connections made	
Networking-Non Local	\$15,000	Throughout FY	Attendance at industry networking/seminars	National		Contacts/prospects identified	6-24 months	# of new projects, # of new B2B connections made	
Multi Media	\$20,000	Completion by December	Production of DED/County promotional video for uploading	National		# of followers, # of inquiries, # of responses	3-6 months	# of followers, # of inquiries, # of responses	
Trade Shows	\$80,000	Throughout FY	Attend key conventions & trade shows	National & International		Contacts/prospects identified	12-24 months	# of new projects, # of new B2B connections made	Separate grouping of trade shows and costs attached
Newsletter/Direct Mail	\$12,000	Throughout FY	Bi-weekly news and data dissemination to 10,000 plus emails	Within the Region		subscription volume, and response and inquiry emails	on-going	increase in subscription volume, new leads generated	Budget for mass emailing fee, surveying costs
Training Programs	\$10,000	Throughout FY	Delivery of programs with various business topics	Within the County	25-60 businesses/program	# of attendance, satisfaction rating	6-24 months	post-training job creation, capital investment, revenue gains	Main topics: local and federal contracting, GSA Schedule, financing
Ad Campaign & Placement	\$100,000	TBD	Radio, Publication, Web Advertising	Targeted US and International Cities		# of targeted audience reached, # of leads generated	6-24 months		
Database Subscription (annual)	\$20,000	Completion by October	Acquisition of key statistical/economic data for analysis and distribution	National / Regional / Local comparison		Full range of key economical data set available for analysis	immediate use upon 1 month training	Data/Trend driven strategy and program setting	EMSI (Economic Modeling Specialist, Inc) Database
TOTAL COSTS	\$329,000								

Prepared by OEO for 7/25/11 PHED Committee Meeting

Details of Proposed Tradeshows and Networking Events

Tech Transfer Focus

Date	Event	Location	DED Attendees	Expected Outcome	Anticipated Timeline to Result	Cost / Person	Notes
8/1/2011	Johns Hopkins Master's Program Intern	DED office	1	Completion of Year 1 PIA with Navy for business partnering; conduct survey of County tech-based companies on tech transfer; target national grant opportunities for Welcome Center; submit 2 grant applications; development of CRADA with federal lab; compile data for Tech Transfer Annual Report	12 months	\$4,000	additional support needed for data compilation and surveying; Navy PIA annual report will be due in January 2012; tech transfer anniversary is 9/29 and annual report will be due; T ² program enhancement cannot continue without external funding sources
8/31/2011	SSTI Annual Membership	online	1	2 strategic partnerships; new benchmarks for T ² program; publicize County programming in SSTI newsletter; develop network of speakers for Commercial 2012 Conference	12 months	\$750	industry leader in science and technology economic development policy and trends
8/31/2011	AUTM Membership & training	online	1	connectivity with national university to elicit insight to attract major university program to County; enhance international awareness of County's T ² initiative to national university community	6 months	\$400	training manuals are part of initial package
10/4-6/2011	FLC MidAtlantic Conference	Cambridge, MD	1	attract business participation to conference and track # of companies that executed T ² opportunities by attending	36 months	\$900	FLC MAR is now a strategic partner in County's T ² initiative; information on T ² website is from federal labs; will continue to nurture lab relationships
11/8-9/11	SSTI Annual Conference	Columbus, OH	1	training will assist with creation of new matrices for commercialization success; creation of new best practices for T ² program; if awarded TBED recognition, will create national recognition of County program and attraction of new interest in tech transfer opportunities	24 months	\$1,100	attended this conference in the past. Seminars stimulate innovative thinking with other tech-based jurisdictions around the nation.
Mar-12	WBT Showcase	Arlington, TX	1	track Mont Co companies attending for investment obtained; cap enhancement over 3 years; investors new interest in other Mont Co firms	36 months	\$2,000	as planning tool for Commercialize Conference in 2012; major investors attend this conference to ID new ventures to fund; sponsored by Lockheed Martin
May-12	FLC National Conference	Pittsburgh, PA	1	attract business participation to conference and track # of companies that executed T ² opportunities by attending	36 months	\$1,500	FLC national is parent organization of FLC MAR - the current regional chair has just been named the national chair (Oct 2012). Opportunity to create tremendous visibility for Mont Co T ² program nationally, which this partnership created. Goal is to expand T ² opportunities at all federal labs for
9/1/2012	AURP Membership	online	1	elevation of County T ² programming on international level; creation of vision for incorporation of T ² programming at all County research parks and innovation centers through guidance from AURP.		\$2,000	sustained associate membership is worth 2 years of \$895 annual associate membership; ally from UMCP is immediate past president and encouraged Mont Co involvement.
Nov-12	Commercialize! Conference	N. Bethesda	2	matchmaking sessions with federal labs to be measured for connectivity with programming; investments to be tracked over longer period for tech advancement and development; County's incubator program will be tracked for new applications from conference	36-60 months	\$7,500	Conference will present investment opportunities and education; County federal labs will be integral partners. Targeting existing companies that are interested in partnering with federal labs to enhance existing products or invest in new opportunities for commercialization in Montgomery County.

subtotal \$20,150

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Details of Proposed Tradeshows and Networking Events

International Focus

Date	Event	Location	Attendees (#)	Expected Outcome	Cost/Person	Notes
March 19-21 2012	BIO Europe 2012	Amsterdam, the Netherlands	1800 Participants from 40 Countries	Foreign Direct Investment (FDI) Attraction	\$5,000.00	The second largest life sciences partnering conference - with 1800 participants including : CEOs, business developers, investors and scientists from 40 countries.
March 21-27	Targeted DED Call Mission to companies in Switzerland and UK	Switzerland and UK	Targeted Visit to DED's top 6 European prospects.	Foreign Direct Investment (FDI) Attraction	\$5,000.00	DED Staff attending BIO - Europe would continue on, to Switzerland and the UK for B2B meetings.
April 23-27, 2012	Hannover Messe 2010	Hannover, Germany	6500 businesses from 65 Countries	Foreign Direct Investment (FDI) Attraction	\$4,000.00	Will be led by the U.S. Dept. of Commerce's EDA and by Invest in America. This opportunity is unique in that it has both a trade and an FDI component. Participating U.S. jurisdictions will be given the opportunity to promote their regions.
TBD May 2012	ILSI-Bio Med	Tel Aviv, Israel	6,000 attendees; from 42 countries; over 2,500 one-on-one meetings.	Foreign Direct Investment (FDI) Attraction	\$6,240.00	Israel's top bio show -- attended by top Israeli biotech companies.
July 9-15 2012	Farnborough	UK	77 Official Delegations from 44 countries; over 120,000 visitors	Foreign Direct Investment (FDI) Attraction	\$5,000.00	World's premier aviation and space industry event. If the State of Maryland participates & exhibits - DED should join.
Ongoing	Embassy Hosting Series	Montgomery County	10-15 Embassies - TBD	FDI Attraction & Tech Transfer Development	\$2,000.00	DED will host commercial and scientific attachés of select foreign embassies for tours and presentations on MoCo's assets.
Annual	Chinese Biopharmaceutical Association (CBA)	N/A			\$2,000.00	
Annual	Maryland India Business Roundtable	N/A			\$2,500.00	
Annual	Investment Promotion Agency World (IPA World)	N/A	N/A	FDI leads & Business Intelligence - Online	\$800.00	Access to news, leads and investor profiles on companies making Foreign Direct Investment moves - Resource for economic developers
Annual Membership	State International Development Organizations (SIDO)	N/A	N/A	Updates on what other jurisdictions are doing internationally	\$1,000.00	SIDO is the only national organization dedicated to supporting state trade and investment programs. Through SIDO state international trade professionals are able to share best practices, access professional development activities, and advocate the interests of their agencies.
Annual	Bilateral Chambers and Business Associations	N/A	N/A	Country-specific business connections (UK, Sweden, German American Chamber, etc	\$2,000.00	Networking with internationally-focused companies, foreign companies & embassies

subtotal

\$35,540.00

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