Embracing the New Fundamentals
A collaborative economic development strategic plan for Greater Akron
Background and history
Eight key findings
Five strategies
Outcomes
Recap, next steps and engagement points
New leadership at the City, the County, and the Chamber signals opportunity for discussions on increased collaboration.

GAR Foundation underwrites the exploration of opportunities.

First order of business: Examine the current state of Greater Akron’s economy and identify what needs to be done.

Market study completed and yields ‘eight key findings’ and ‘five strategies’.

Deep-dive discussions among the City, the County, and the Chamber to identify respective roles in this work and identify other stakeholders and key collaborators in the community.

Early discussions with leaders and stakeholders in the business, civic, and non-profit communities about the plan, next steps, and ‘rules of engagement’.

Early stages of implementation (assembling of strategy groups).

Presentation of the plan to the community.
Eight key findings
1. The Akron regional economy is neither distressed nor dynamic

Windows of Opportunity
- Genomics
- Cloud technology
- Advanced robotics
- Autonomous vehicles
- Internet of things
- Energy storage
- 3-D printing
- Advanced materials

Akron is not intentionally developing a foothold in the “next economy”

2. But it faces strong headwinds that threaten its steady position

Middle Class Jobs Increasingly Rare

Projected job growth by wage percentile, 2016-26

<table>
<thead>
<tr>
<th>Occupations ranked by median wage (percentile)</th>
<th>0-20</th>
<th>21-40</th>
<th>41-60</th>
<th>61-80</th>
<th>81-100</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job growth</td>
<td>8.8%</td>
<td>5.2%</td>
<td>4.7%</td>
<td>7.1%</td>
<td>11.0%</td>
</tr>
</tbody>
</table>
3. Traditional economic development approaches are proving incapable of effectively confronting these headwinds

Business Relocations Down
2000-12

50%

Expansions and relocations of 50+ jobs or $1M+ investment

4. The Akron region’s economic development system is outdated and fragmented

Share of Akron FDI jobs by mode of entry, 2011

<table>
<thead>
<tr>
<th>Mode of Entry</th>
<th>Akron</th>
<th>US</th>
<th>Akron</th>
<th>US</th>
<th>Akron</th>
<th>US</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-1991</td>
<td>58%</td>
<td>26%</td>
<td>22%</td>
<td>32%</td>
<td>19%</td>
<td>42%</td>
</tr>
<tr>
<td>M&amp;A</td>
<td>26%</td>
<td>22%</td>
<td>32%</td>
<td>19%</td>
<td>42%</td>
<td>58%</td>
</tr>
</tbody>
</table>

Conway Data
5. There are several potentially transformative, but overlooked, economic development opportunities in Akron.

- **Middle Market**
  - U.S., 2009-14
  - 1% of firms created 72% of net new jobs

- Avg. growth from 10 to 30 employees

6. The Akron region lacks the workforce skills to fulfill demand for digitized and mid-tech occupations.

- Days to fill middle-skill job openings, 2013
  - Require no STEM skills: 17 days
  - Require STEM skills: 41 days

Conxus: Between 3 and 10 entry-level IT openings per grad with relevant skills

Gary Kunkle analysis of NETS data
**Elevate Akron: Eight Key Findings**

7. Much of Akron, particularly its black population, is excluded from economic opportunity

8. Anemic growth in Akron’s downtown and other job hubs hinders the economic development potential of the entire region

### Change in Employment and Income by Race, Akron MSA 2005-15

- **White**
  - Employment rate: -4%
  - Income: -5%
  - Bottom 10 of 100 metros

- **Black**
  - Employment rate: -11%
  - Income: -24%
  - Bottom 5 of 100 metros

### Multi-unit share of 2017 permits

- **Large Cities**
  - Milwaukee: 57%
  - Indianapolis: 24%
  - Cleveland: 16%
  - Syracuse: 63%
  - Buffalo: 41%
  - Toledo: 32%
  - Allentown: 27%
  - Greenville: 18%
  - Providence: 14%
  - Akron: 3%

(Just two permits in downtown Akron)

Brookings
### Strategy 1: New approach to business retention and expansion (BRE)

<table>
<thead>
<tr>
<th>What will be accomplished?</th>
<th>How will this be accomplished?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased competitiveness of targeted <strong>scale-up and middle-market companies</strong></td>
<td>• 120 Small and Middle Market Companies</td>
</tr>
<tr>
<td>The region’s largest companies receive <strong>coordinated support to facilitate growth</strong></td>
<td>• High potential, polymer, foreign owners, scale up</td>
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<tr>
<td></td>
<td>• Targeted relationship management</td>
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<tr>
<td></td>
<td>• Integrate core business development programs</td>
</tr>
<tr>
<td></td>
<td>• Make FDI efforts part of BRE</td>
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<tr>
<td></td>
<td>• Twenty-five largest companies</td>
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</table>
### Strategy 2: Opportunity Akron

<table>
<thead>
<tr>
<th>What will be accomplished?</th>
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</thead>
<tbody>
<tr>
<td>The black population will be positioned to engage in, and <em>share in the benefits of, regional growth and prosperity</em></td>
<td>• Develop a comprehensive inclusion narrative for the region</td>
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<tr>
<td></td>
<td>• Develop capacity to integrate inclusion into all strategies</td>
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<tr>
<td></td>
<td>• Build digital skills and provide connections to mid-tech jobs</td>
</tr>
<tr>
<td>What will be accomplished?</td>
<td>How will this be accomplished?</td>
</tr>
<tr>
<td>------------------------------------------------------------------------------------------</td>
<td>-----------------------------------------------------</td>
</tr>
<tr>
<td>The reinvigoration of Akron’s innovation and startup potential</td>
<td>• Realize the potential of Bounce</td>
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<td></td>
<td>• Focus on promising emerging firms</td>
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<tr>
<td></td>
<td>• Reinvigorate connections between firms and research universities</td>
</tr>
<tr>
<td>What will be accomplished?</td>
<td>How will this be accomplished?</td>
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| Development and growth of **downtown Akron and other identified job hubs** | • Make the Downtown Akron plan a reality  
• Prioritize development around existing job hubs |
<table>
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<th><strong>Strategy 5: Elevate Akron</strong></th>
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<tr>
<td><strong>What will be accomplished?</strong></td>
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<tr>
<td>A unified, forward-looking <em>culture of economic development</em> in the Akron region</td>
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<tr>
<td><strong>How will this be accomplished?</strong></td>
</tr>
<tr>
<td>• Connect and collaborate</td>
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<tr>
<td>• Establish capacity for research and marketing</td>
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<tr>
<td>• Create a more seamless system for lead attraction and project management</td>
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<tr>
<td>• Explore and catalyze a focus on Akron’s next ‘big bet’</td>
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Overall Goal:

Transform the culture of economic development to expand opportunity for all residents and position the Akron region on a new trajectory in an era of rapid global change.
Excellence in New Fundamentals.
The region has effective efforts and programs across each of its core strategies and a highly collaborative economic development system that is focused on the competitiveness of our firms – especially high potential, traded sector firms.

Smart Investments in the Future Economy.
The region has identified, embraced and begun to invest in one or two signature lead initiatives to gain a foothold in the new, more digital global economy.

The region’s economic development system is forward thinking and nimble, enabling it to continuously evaluate the changing economic landscape and respond strategically.

Shared Prosperity.
The region has demonstrated intentional focus on shared prosperity for all Greater Akron residents.

This focus is evident in not only its programs and investments, but the composition of its leadership groups.

Real, measurable gains.
Strong progress made over the last ten months
Current status: “the end of the beginning”
5 strategy groups focused on implementation
20+ partners (and counting)
70+ leaders engaged
Additional opportunities for engagement
Questions
Embracing the New Fundamentals

A collaborative economic development strategic plan for Greater Akron