

## Strategic Plan For Economic Development



Vermont is largely a small and medium-sized enterprise state, industrially diversified and geographically dispersed. These businesses comprise almost 98 percent of Vermont's businesses and provide nearly 60% of our jobs. Though this is a significant portion of the economy it could not survive without Vermont's nearly 350 larger employers (100+) who provide high paying jobs, an industrial platform, and partnership opportunities. While individual industry needs vary greatly and require specialized resources, the needs of Vermont's business community are shared by all and are what drives the state's economic development strategy.

**Vermont's economic development strategy is to provide the infrastructure necessary for businesses to thrive, adapt to changing circumstances and technologies, and sustain economy.**

In their 2002 update of Vermont's economic development plan, the Vermont Economic Progress Council named ten foundational elements critical to the success of Vermont's healthy economy –

- Predictable, Customer-Oriented Regulatory Systems
- A Competitive and Stable State & Local Tax Policy
- Coordinated, Cost Effective Economic Assistance & Community Development Programs
- A World-Class Workforce
- An Exceptional Telecommunications Network
- A Fair, Predictable and Competitive Energy Policy
- A State Transportation System that Supports Economic Development
- Science & Technology Initiatives that Stimulate Economic Growth
- An Efficient and Effective State Government
- Affordable Housing for the Workforce

These foundational elements together form the critical platform for a healthy economic infrastructure that creates organic growth of existing businesses and provides an attractive choice for new businesses to locate.

## THE DEPARTMENT OF ECONOMIC DEVELOPMENT

Vermont's economic development strategy is coordinated through the Department of Economic Development and executed in conjunction with a broad network of partners including other state and federal government entities; Vermont's institutions of higher education; and non-governmental organizations.

The Department of Economic Development (DED) has direct influence over the foundational elements that pertain to Economic Assistance, Workforce, and Science and Technology Initiatives. The DED supports and implements the state's strategy in their efforts on – Retention and Expansion; Entrepreneurship; and Recruitment.

### Retention and Expansion

As most growth comes from existing business, DED's principal focus is to support our existing customers, fostering job retention and organic job growth. This is accomplished through the following -

**VERMONT TRAINING PROGRAM** funds the delivery of unique and highly customized training programs to companies.

**PURSUEVT** – a partnership with industry and education aimed at retaining and recruiting Vermont's future workforce.

**VERMONT PROCUREMENT TECHNICAL ASSISTANCE CENTER** – co-funded by Vermont and the federal government, VTPTAC supports efforts by Vermont businesses to market to the federal, state, and local governments and prime contractors.

**VERMONT GLOBAL TRADE PARTNERSHIP** – a public private partnership supporting Vermont businesses in their efforts to identify and connect with international markets.

**PERMIT ASSISTANCE** – supports Vermont businesses wishing to expand or companies looking to locate here with direct, hands-on assistance in obtaining necessary permits.

**REGIONAL DEVELOPMENT CORPORATIONS** – provide close contact with existing companies and provide an understanding of the unique characteristics and needs of their regions.

Along with the activities cited above, other key partners in economic development include:

**SMALL BUSINESS DEVELOPMENT CENTERS** provide business consulting support on a range of issues to small businesses and startups.

VERMONT MANUFACTURING EXTENSION CENTER supports the development of sound business plans, identifies areas of opportunity or threat in the marketplace, and trains on lean manufacturing techniques.

VERMONT ECONOMIC DEVELOPMENT AUTHORITY acts as Vermont's financing authority for most economic development activities including agricultural finance.

VERMONT ECONOMIC PROGRESS COUNCIL underwrites and administers Vermont's Economic Growth Incentives program, whose awards are predicated on job creation and capital investment.

## Entrepreneurship

DED supports entrepreneurial activities. The areas of focus will include:

- Higher education and technology transfer from academic research to new business start-ups;
- Incubator environments with appropriate professional resources to assist early-stage businesses with the financial, market and other knowledge required to move from concept to reality; and
- Early-stage capital investments.

Fostering creativity and entrepreneurship in Vermont is critical, so DED is investing in a variety of incubation initiatives. Supporting that investment, DED is developing a clear, focused incubation strategy grounded in higher education.

THE VERMONT TECHNOLOGY COUNCIL is a key resource of intellectual and entrepreneurial talent and expertise, and the CENTER FOR EMERGING TECHNOLOGIES, a partnership with the University of Vermont, is the primary incubator for academic research.

DED will work in conjunction with the Vermont's Higher Education institutions to support entrepreneurial education on the seed investing and commercialization process by developing a training curriculum and a network of expertise.



## Recruitment

DED targets business relocation and expansion to Vermont in industries/businesses in a geographic region from Richmond, VA to Pittsburgh to Toronto to Quebec to Portland, Maine. Opportunities not tied to industry clusters and outside of the target market area will be pursued as they present themselves.

DED's program is divided into two parts:

- Broad market awareness/general recruiting, and
- Identifying and leveraging industry clusters.

The recruitment marketing campaign is focused on people – people who own or have leadership roles in companies.

Although a part of the campaign is broadly directed, the bulk of the efforts and resources are directed at those businesses whose leaders already have some connection to Vermont.

DED conducts targeted recruitment activities based upon identified clusters utilizing print, radio and TV media as well as targeted direct mail, trade shows, familiarization tours/events, and referrals from Vermont companies. Identified economic clusters include:

- Environmental Products and Services
- Aviation/Aerospace
- Financial Services
- Information Technology/Software design
- Microelectronics
- Value-added Agriculture/Natural Resources
- Specialty Foods
- Tourism

### A BALANCED PORTFOLIO

DED constantly seeks an appropriate balance between organic growth and prospecting for new business. And there is focus on fostering the development of Vermont's next growth industries and companies without undue risk.

At the broader policy level, we must continue to work to make progress on the foundational factors that will make and keep Vermont a competitive place to live, do business and sustain the high quality of life we revere.

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*DED's Mission: Enhance  
Vermonters' quality of life through  
expanded economic opportunity.*