

Presentation to Senate Commerce Committee

Stan Ahlerich
Executive Director
Governor's Council of Economic Advisors

January 22, 2015

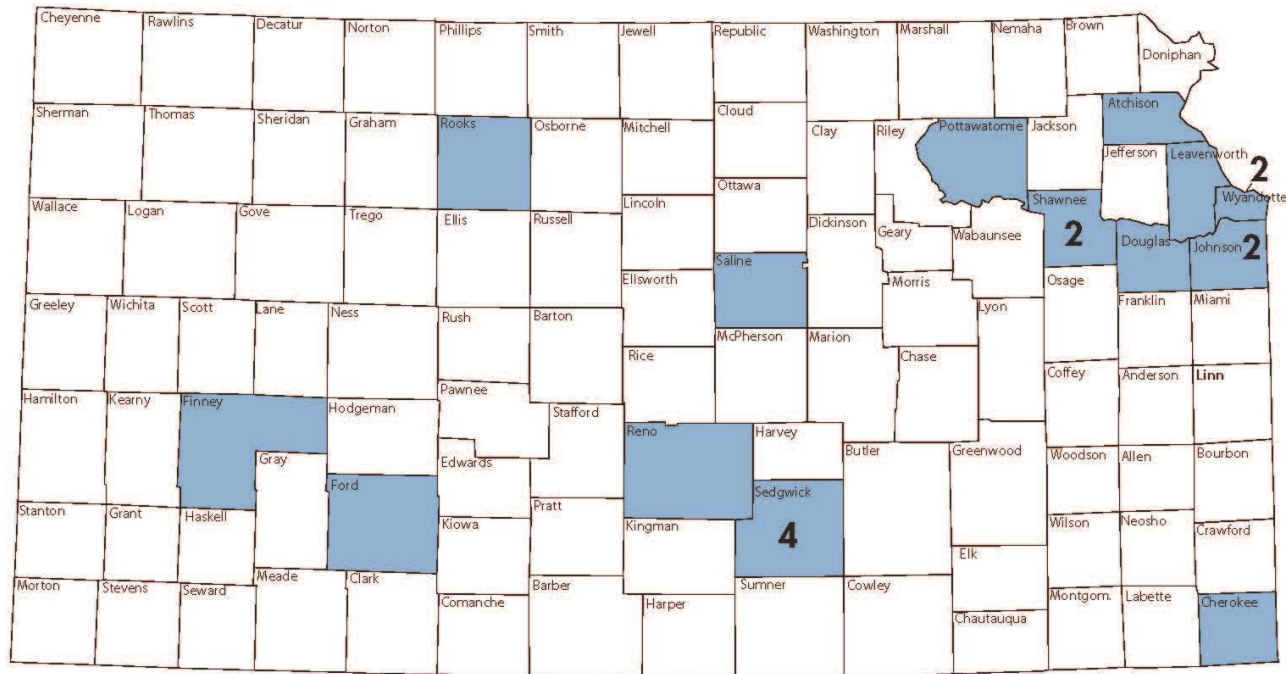


Governor's Council of Economic Advisors

- Organized by Executive Order in 2011
- Council includes up to 20 business men and women



Governor's Council of Economic Advisors



Dana Anderson
Lawrence (Douglas)

Ivan Crossland
Columbus (Cherokee)

Jim Lewis
Dodge City (Ford)

Charlie Tetrick
Mission (Johnson)

Rick Berger
Atchison (Atchison)

David Dillon
Hutchinson (Reno)

David Murfin
Wichita (Sedgwick)

Bob Wheeler
Topeka (Shawnee)

Patti Bossert
Topeka (Shawnee)

Kendal Grecian
Palco (Rooks)

Steve Ortiz
Mayetta (Pottawatomie)

Alfred Botchway, Ph.D.
Stillwell (Johnson)

Cliff Illig
Kansas City (Wyandotte)

Gerry O'Shaughnessy
Wichita (Sedgwick)

Mollie Hale Carter
Salina (Saline)

Larry Jones
Holcomb (Finney)

Bob Page
Kansas City (Wyandotte)

David Coleal
Wichita (Sedgwick)

Patty Koehler
Wichita (Sedgwick)

Jerome Reilly
Leavenworth (Leavenworth)



Better Data

- Indicators of the Kansas Economy (IKE)
- Kansas Index of Leading Indicators



Indicators of the Kansas Economy

*A Review of Economic Trends
and the Kansas Economy*

1000 S.W. Jackson St. Suite 100
Topeka, KS 66612-1354

Phone: (785) 296-0967

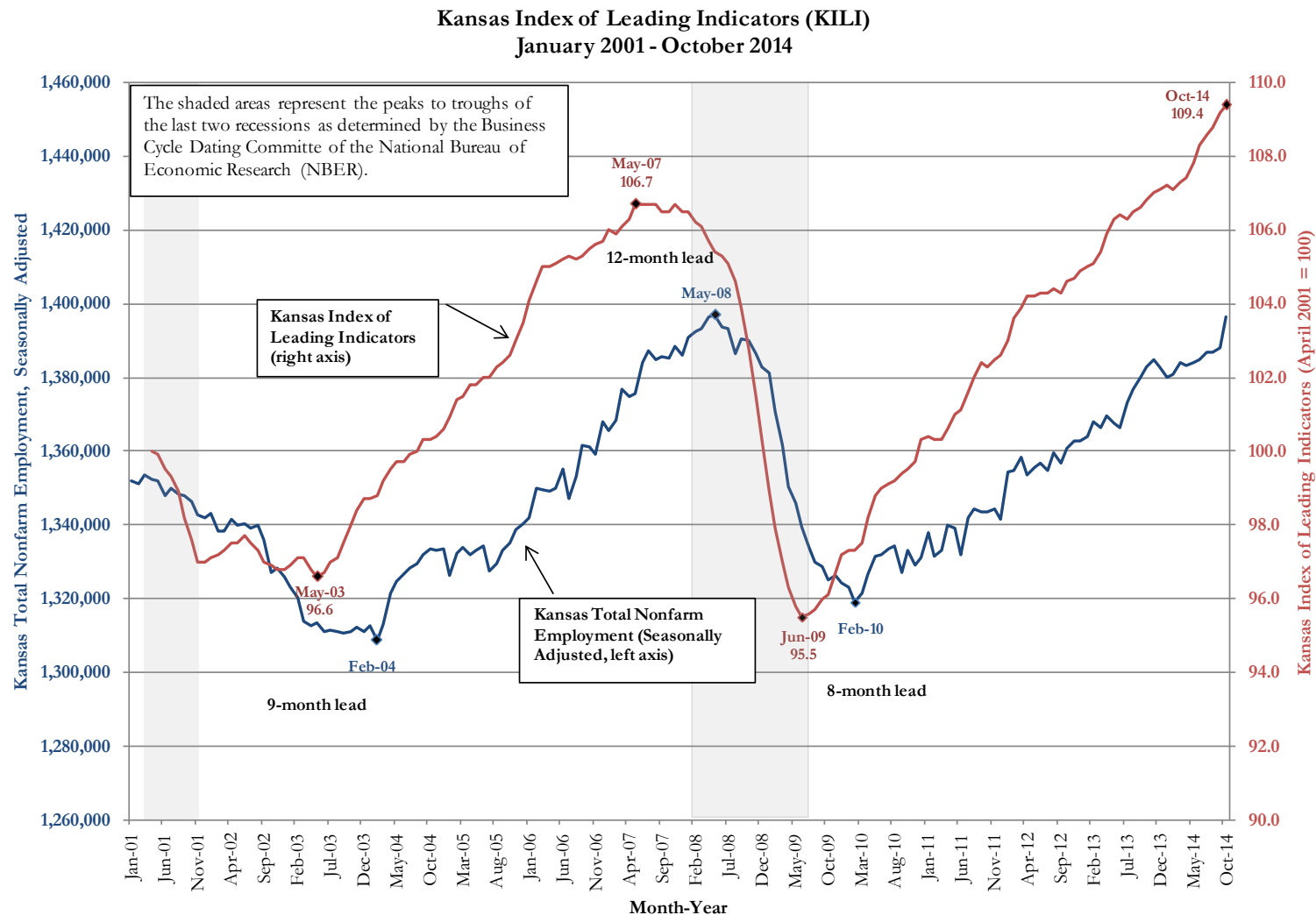
Fax: (785) 296-5055

sahlerich@kansascommerce.com

November 2014



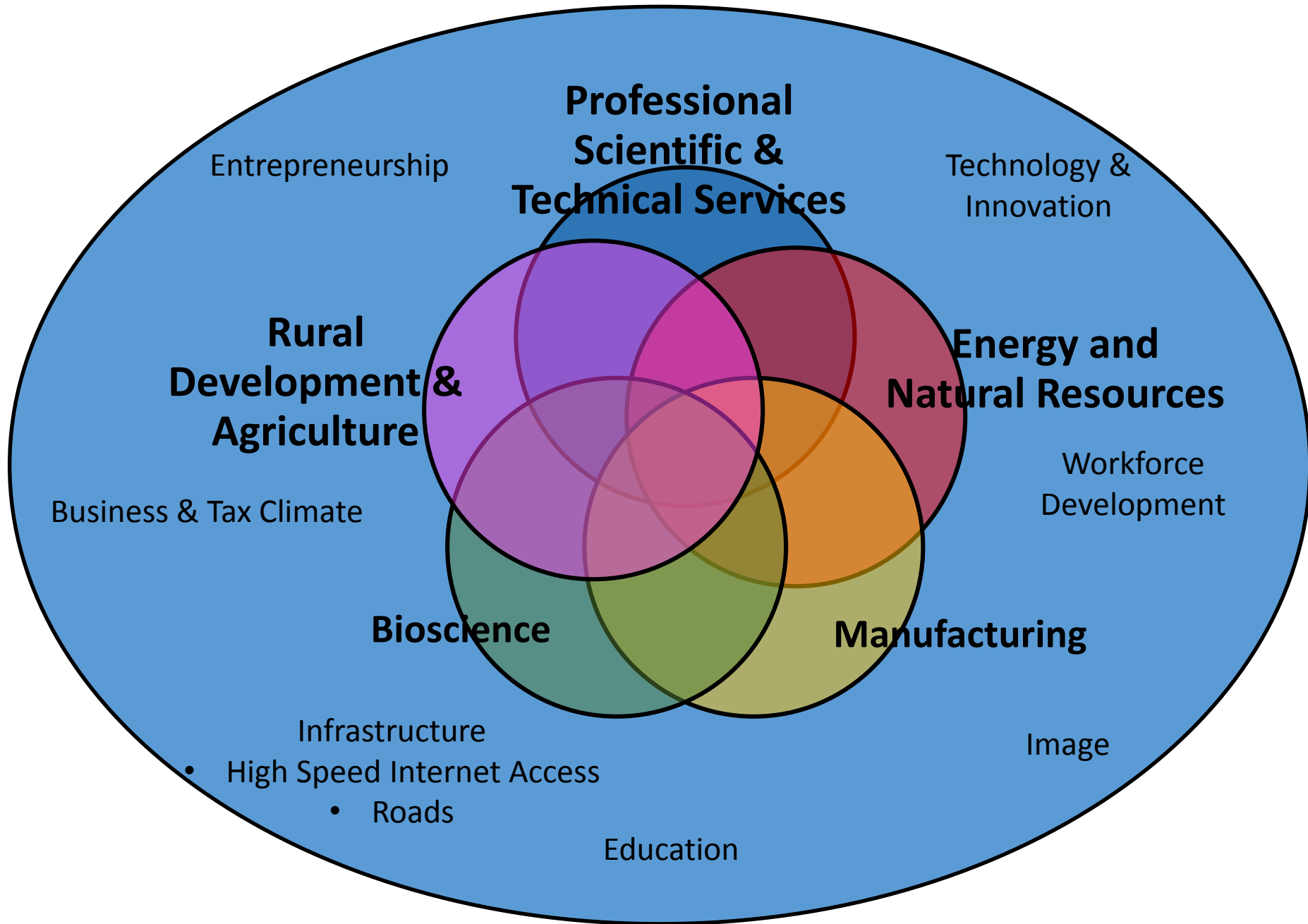
Kansas Index of Leading Indicators



Source: Kansas Department of Labor, Labor Market Information Services.



Environment for Opportunity



50 Year Water Vision for Kansas

Kansas Water Vision Team:

- Department of Agriculture
- Kansas Water Office
 - Aquifers
 - Lakes and Streams



Statewide Strategy for Trade/Exports

- Governor tasked Harland Priddle to lead initial development of trade/export strategy
- Comprehensive initiative
- Leveraging state resources
- Public/private partnerships



Statewide Export Outreach Program

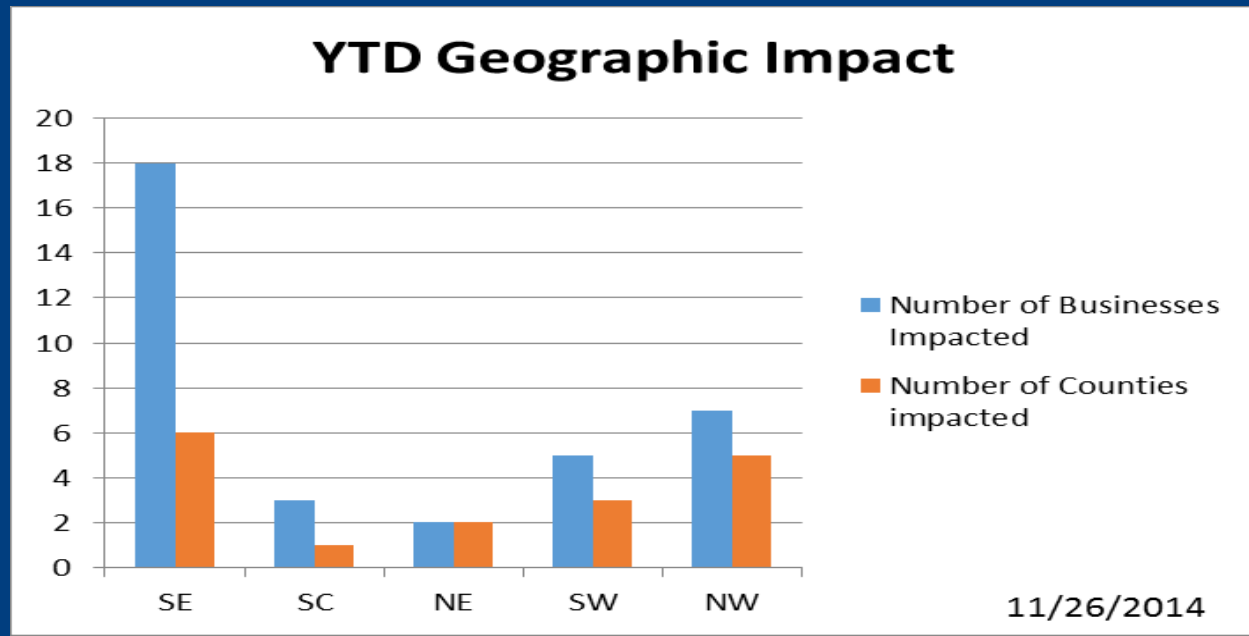
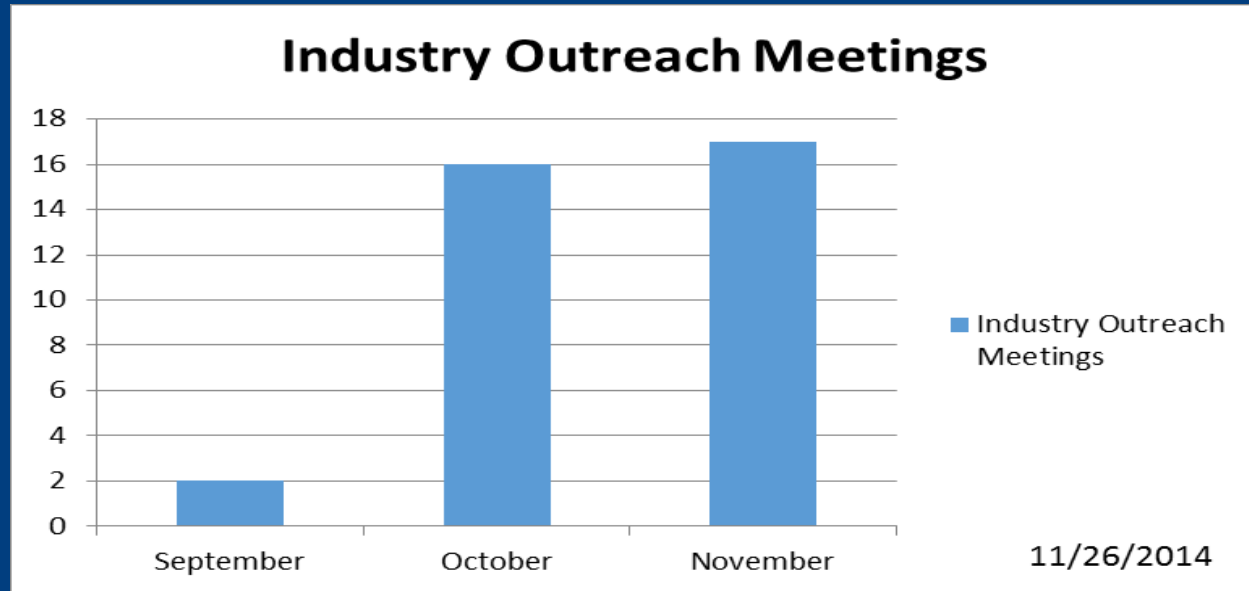
- **Kansas Global Trade Services in partnership with Kansas Department of Commerce and other state agencies**
- **One-year initiative funded @ \$250,000 to include:**
 - **100 Industry Outreach Company Visits**
 - **6 Regional Export Promotion Meetings**
 - **Quarterly Export Service Provider Meetings**
 - **Governor's International Trade Day**
- **Branded as “ExportNOW Kansas”**



ExportNOW Outreach Program

Total Mtgs - 35

Industry Export Status	
Exporters *	9
Minimal Exporters	14
Non-Exporters	12
*Exports make up more than 10% of sales	



Total # of meetings per region	
Southeast	18
South Central	3
Northeast	2
Southwest	5
Northwest	7

ExportNOW Upcoming Events

- December 3 – Export Service Provider Meeting - Wichita
- December 10 – East Central Regional Export Promotion Meeting - Olathe
- December 11 – Southeast Regional Export Promotion Meeting – Coffeyville
- Spring 2015 – Southwest Regional Export Promotion Meeting – Dodge City
- Spring 2015 – Northwest Regional Export Promotion Meeting – Hays



Kansas Export Forum

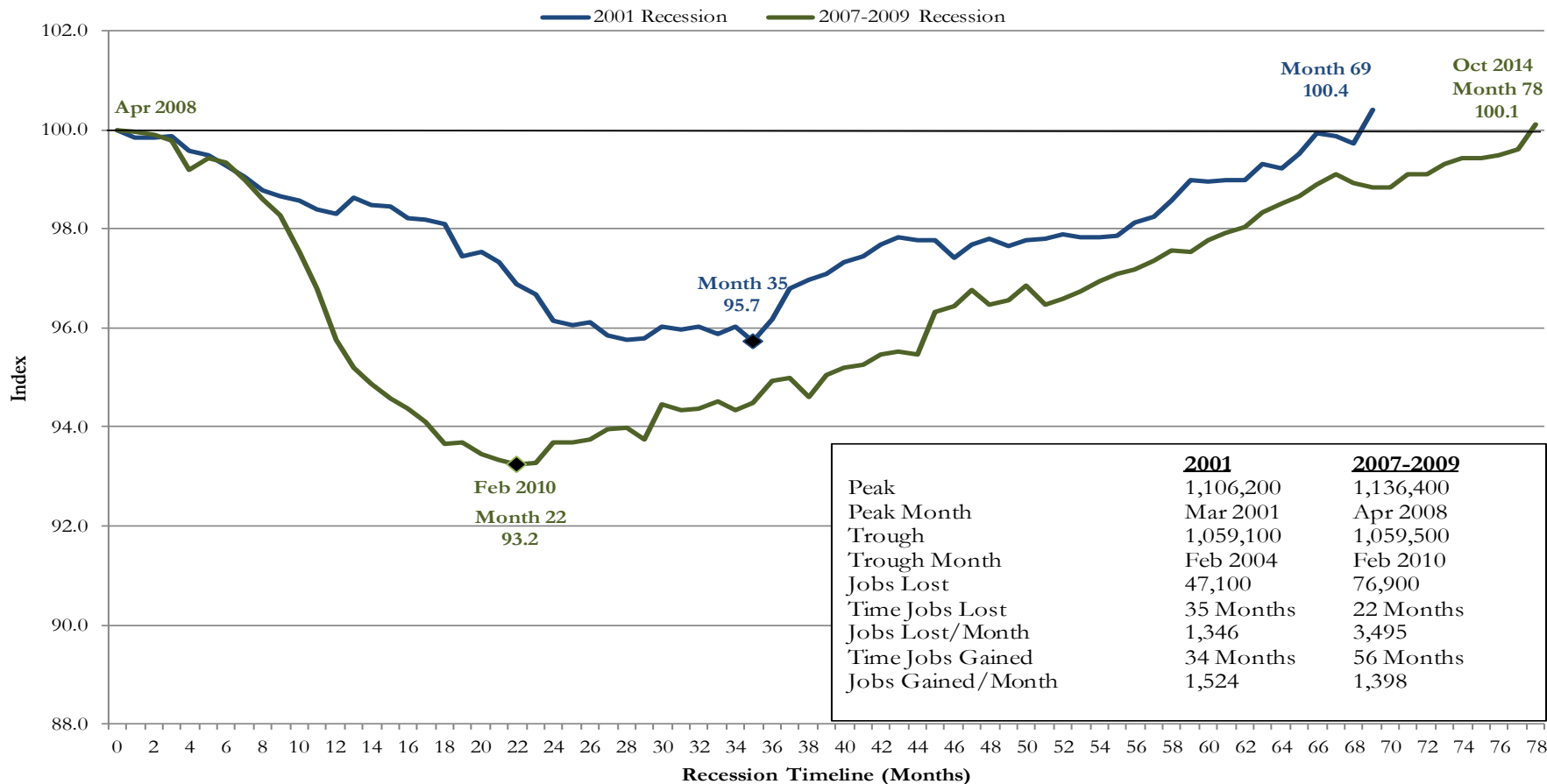
- Led by Kansas Department of Transportation in partnership with Kansas Department of Commerce and Kansas Department of Agriculture
- 125 attendees from across the state attended event in Olathe on August 27, 2014
- Focus on logistics with speakers from KDOT, BNSF, U.S. Customs, UPS, Transsystems Corp, KGTS, Bio-Microbics, and group discussion leaders from Groendyke, R-Tech, & KS Wheat Commission
- Tour of Logistics Park Kansas City



JOBS



Comparison of Two Previous Recessions Private Sector Nonfarm Jobs, Seasonally Adjusted Kansas

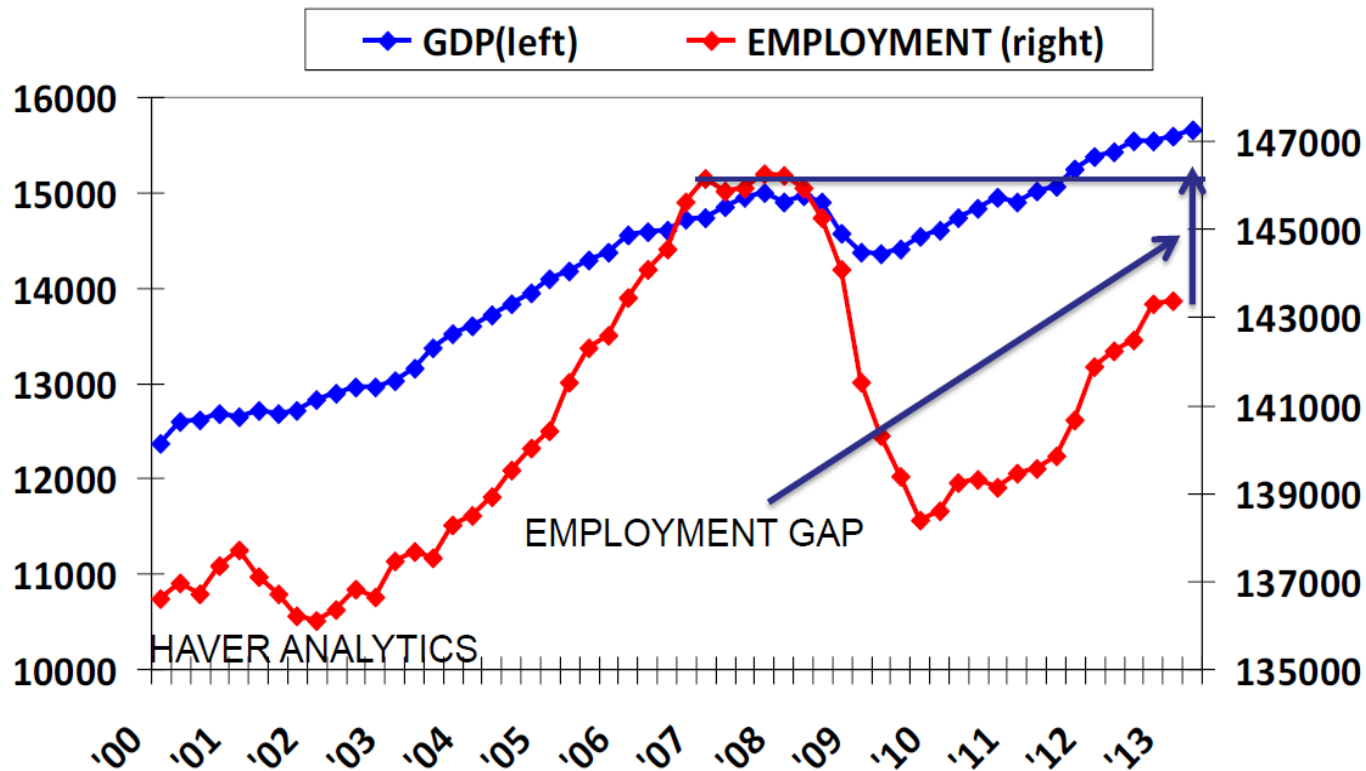


Source: Kansas Department of Labor, Labor Market Information Services, in conjunction with the Bureau of Labor Statistics.

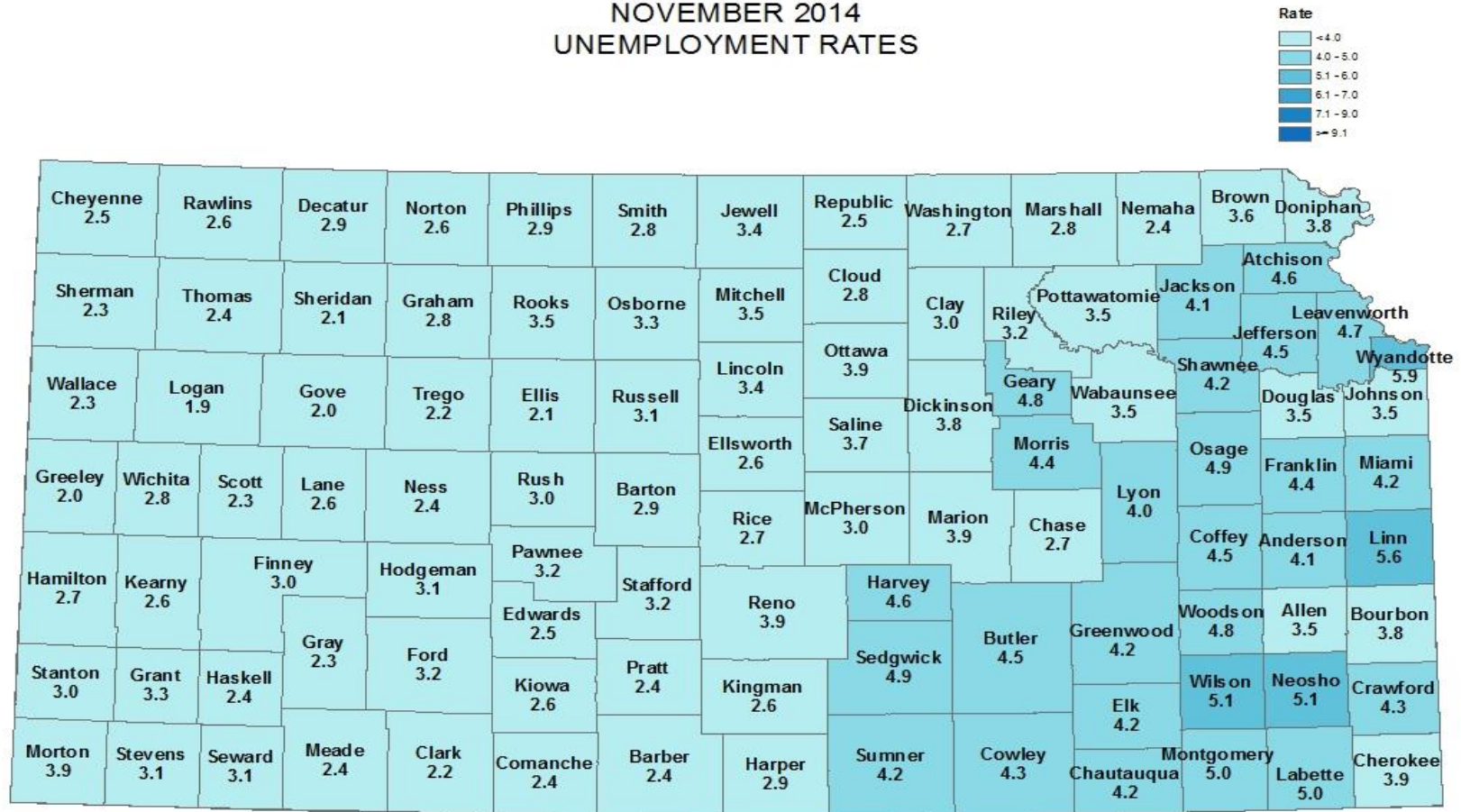
KDOL serves Kansas workers and businesses by providing fair and efficient administration of state labor laws.



GDP AND EMPLOYMENT



NOVEMBER 2014 UNEMPLOYMENT RATES



Note: County unemployment rates are only available not seasonally adjusted

Source: Kansas Department of Labor, Labor Market Information Services, in conjunction with the Bureau of Labor Statistics

KDOL serves Kansas workers and businesses by providing fair and efficient administration of state labor laws.



WORKFORCE

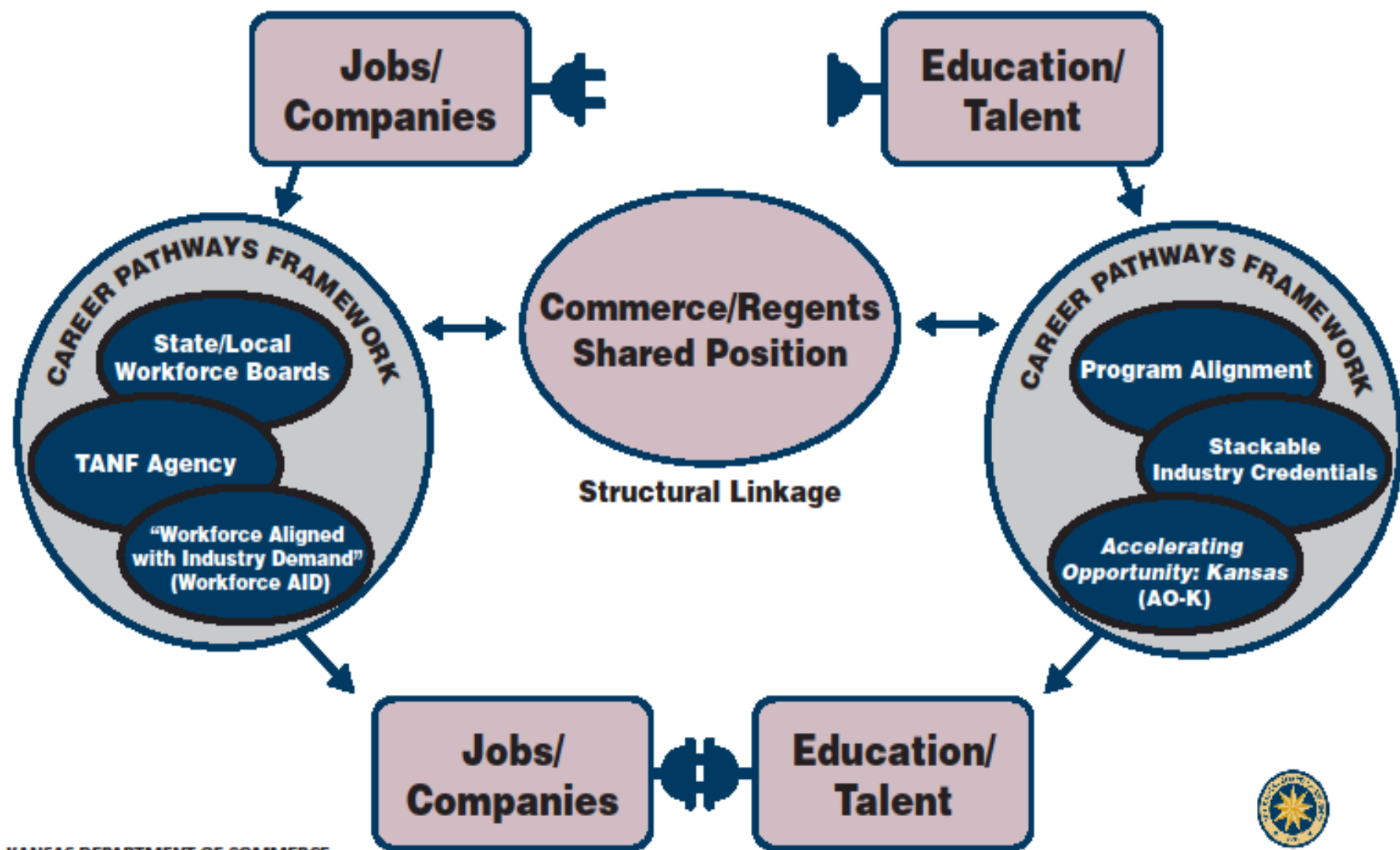
According to a recent survey, “92% of executives believe there is a serious gap in workforce skills and nearly 50% are struggling to fill jobs.”
[The Skills Gap and the State of the Economy, Adecco, October 2013]

To remain competitive, Kansas must be responsive to business demands



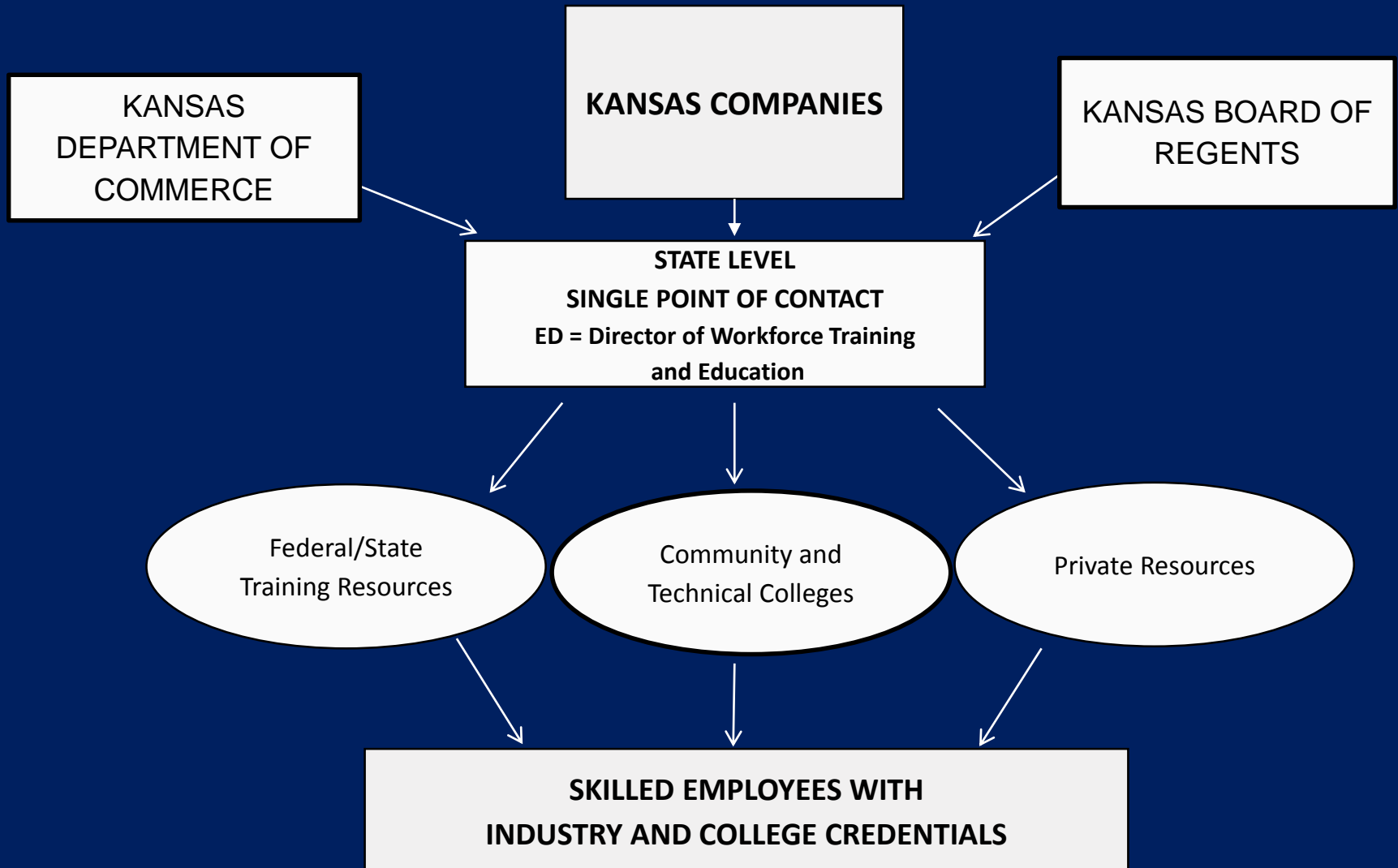
Career Pathways

Aligned with the Governor's Strategic Plan for Kansas



Workforce AID

(Aligned w/Industry Demand)



FIND, TRAIN AND DELIVER

FIND

- Identify talent need/number/timing
- Partner with companies
- Recruit qualified participants

TRAIN

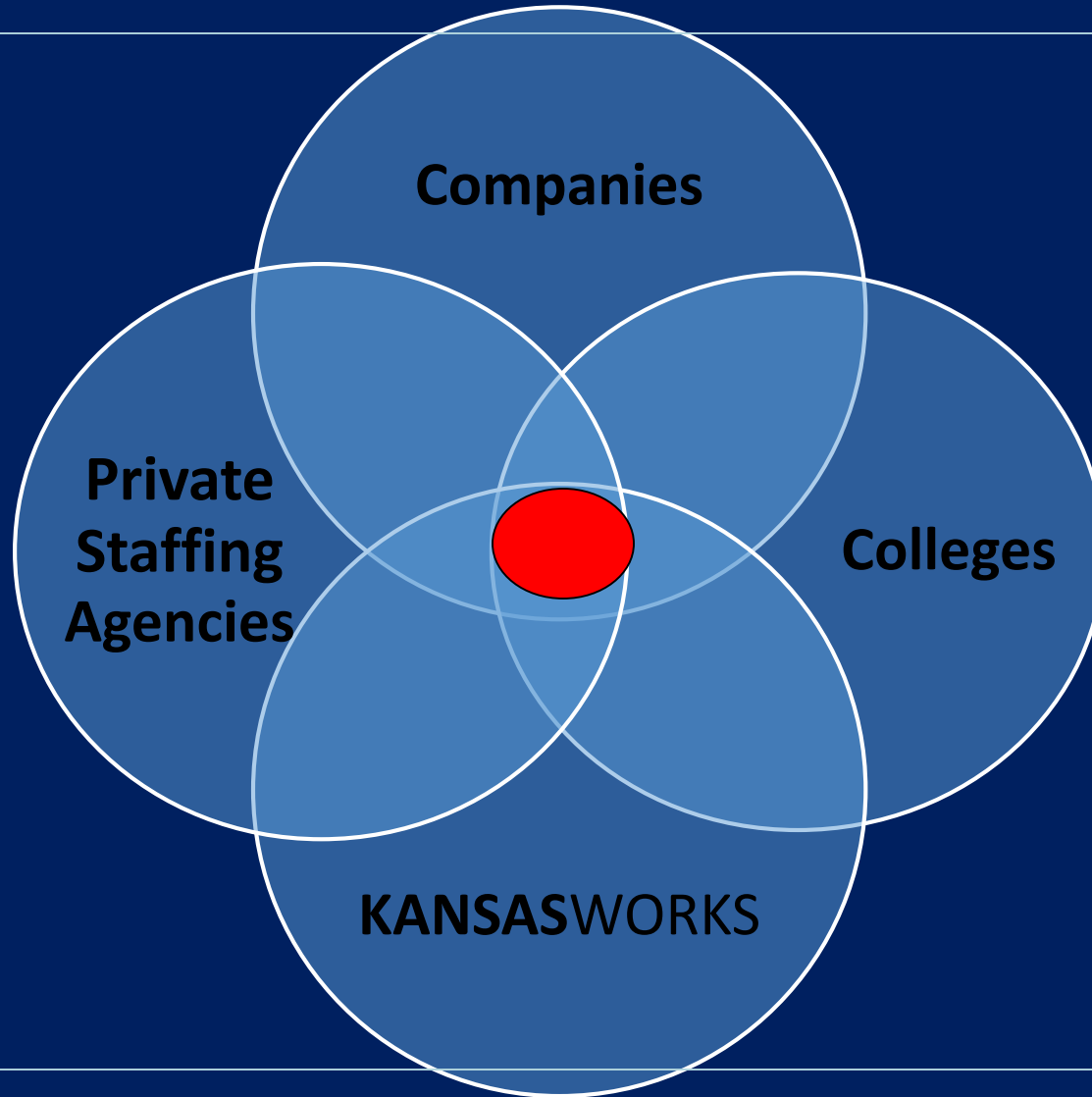
- Employability and Technical Skills
- Industry credentials- NIMS, MSSC, AWS, etc.
- College Credit

DELIVER

- Skilled Workforce



PUBLIC/PRIVATE PARTNERSHIPS KEY TO SUCCESS



What Businesses are Saying

- “I think it is the most effective way to train new prospects that I have seen so far” [Spears Manufacturing, Caney, Kansas]
- “... Workforce AID ...will provide a sustainable resource to meet this industry demand for workers” [AGC of Kansas]
- “...[Workforce AID] is much needed and a win-win for business, college[s] and students” [CST Storage, Parsons, Kansas]



“Education Linked to a Job”

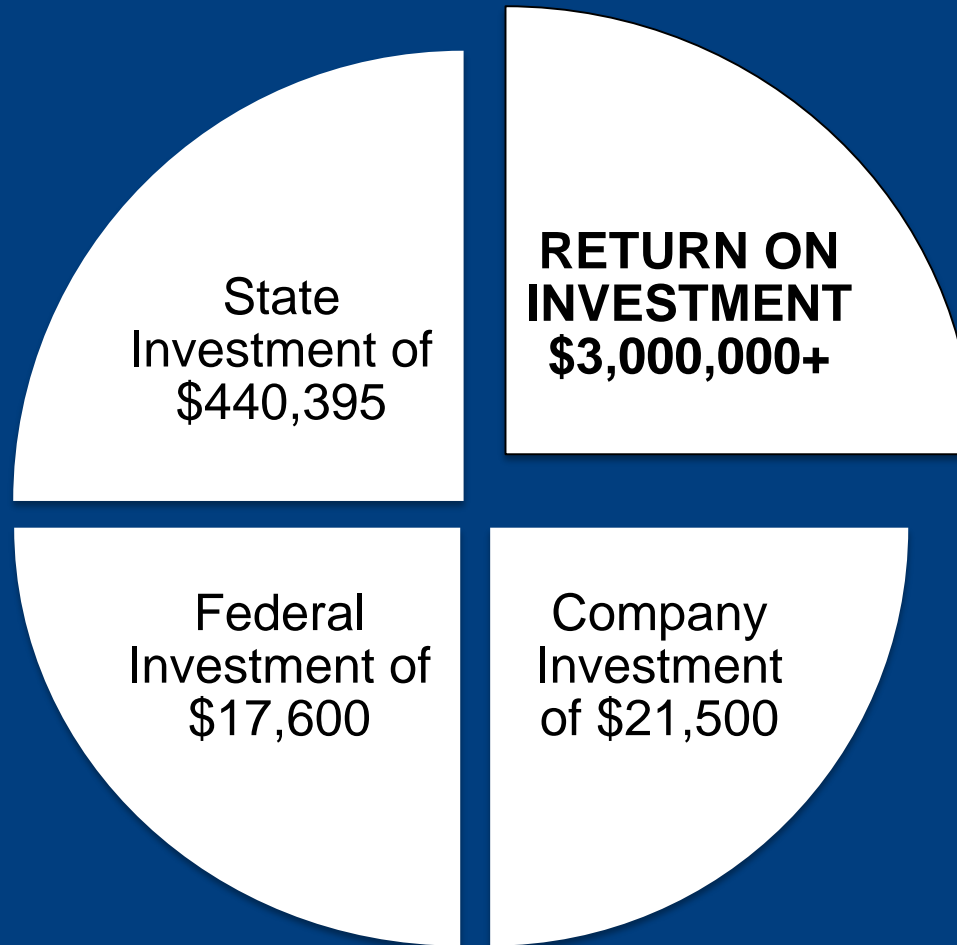


100 percent of both group respondents indicated they felt *prepared for the job* after the training [Student Survey-Oct/Nov 2014]

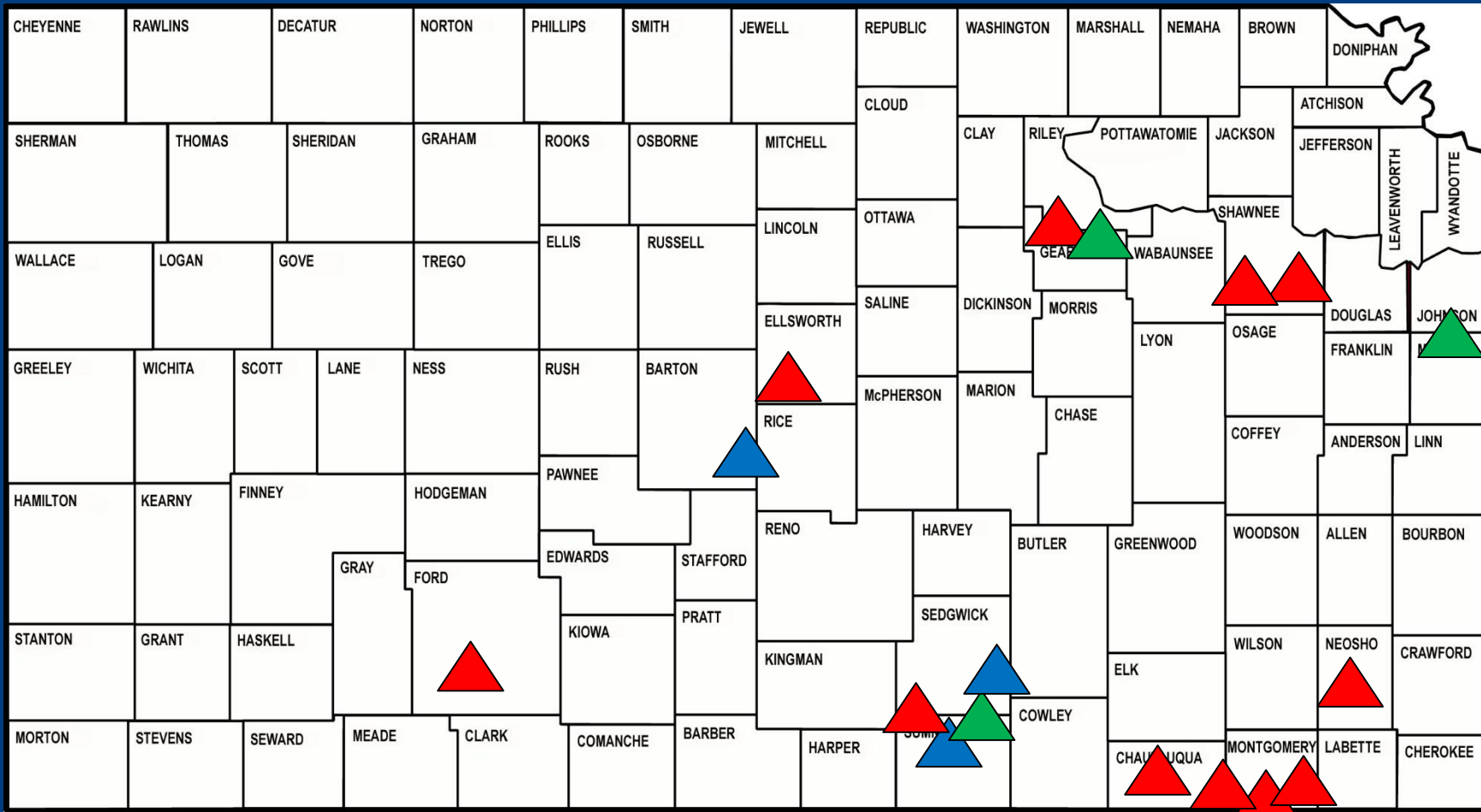


Return for Kansas = Almost 7X state dollars invested

*Over 100
jobs in
less than a
year !*



Workforce AID is Statewide



Red-completed; Green-in progress; Blue-in planning



The Future for Workforce AID

- ???
- Public/private partnerships
- Public sector funding vital
- Multiple projects in additional industry sectors
- Future projects include component of private sector funding



HOUSING



Moderate Income Housing Program

- Legislature approved \$2M to State Housing Trust Fund in 2012
- Administered by Kansas Housing Resources to support Moderate Income Housing (MIH) program
- 2013 Legislature allocated an additional \$2M to support MIH

*[moderate-income is defined as \$68,063 to \$128,344
and is adjusted for family size]*





KANSAS HOUSING RESOURCES

KansasCommerce.com/KansasHousing



Affordable, quality and accessible housing is a critical component to growing the Kansas economy and improving the quality of life in our state. Below is a sampling of the programs and tools we can offer to help with your housing needs.

Housing Assessment Tool

Developers

- Affordable Housing Program
- Community Housing Development Organizations
- Low Income Housing Tax Credit
- Private Activity Bond Program
- Rural Housing Incentive District Act
- Rural Rental Housing Program

Government Entities, Cities, Counties and Non-profits

- Community Development Block Grant Housing Program
- Housing Preservation Grant Program
- Moderate Income Housing Program
- The Emergency Solutions Grant Program

Individuals

- First Time Homebuyer Program
- USDA Direct Home Loan Program
- USDA Guaranteed Rural Housing Loan Program
- USDA Home Repair Program
- Weatherization Assistance Program
- Community Development Program
- Community Housing Program
- Homeownership Set-aside Program

KansasCommerce.com/KansasHousing



REGULATORY



Suggestions from the Governor's Council of Economic Advisors

- Agency cooperation
- Targeted survey
- Opportunity for specific recommendations from small business



Joint Small Business Survey

- Cooperative effort among five agencies:
 - Labor
 - Commerce
 - Agriculture
 - Revenue
 - Health & Environment



Department of Commerce and Department of Labor

- Angel Investor
- Community Development Block Grants
- High-Performance Incentives
- Kansas Industrial Training
- Promoting Employment Across Kansas
- Rural Opportunity Zones
 - Filing quarterly wage reports
 - Industrial Safety & Health
 - Labor Market Information
 - Unemployment Insurance
 - Workers Compensation



Department of Agriculture and Department of Revenue

- Weights & Measures
- Animal Health
- Conservation & Water Resources
- Food Production Inspection
- Food Safety & Lodging
- Alcoholic Beverage Control
- Business Tax
- Property Valuation
- Vehicles



Department of Health & Environment

- Air & Water Quality
- Child & Foster Care
- Health Facilities
- Tank Storage Management
- Waste Management



Survey Design

- Results will be targeted based on respondent's size and location
 - Number of Employees
 - 0-5 Employees
 - 6-49 Employees
 - 50-249 Employees
 - 250-499 Employees
 - Location in Kansas



MANUFACTURING AND RESHORING



Potential for Reshoring

- “... the shift to U.S. manufacturing, combined with an increase in exports due to improved U.S. competitiveness, will create 2 million to 3 million jobs.”
Boston Consulting Group report, 2012
- Walmart will buy an additional **\$250 billion in US products** over the next ten years



TheKansasEdge.com



*Reshoring Manufacturing
Back To Kansas*

[!\[\]\(31dc830bf8206b94b5a585ce61ce9013_img.jpg\)](#) [!\[\]\(92fe6ec8c8b0011d3746d04c5962f469_img.jpg\)](#) [!\[\]\(331831374f10e8c7fe483c7fa2c6e388_img.jpg\)](#) [!\[\]\(59a6d1a83fdb24579739802677391c72_img.jpg\)](#) [!\[\]\(f7d0469f5f606ed760feb4851784f3d8_img.jpg\)](#)

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Welcome to the Kansas Edge
Kansas has a world class environment for you to do manufacturing. We want people to reshore to Kansas!



**SOUTH KANSAS DESIGNATED A
MANUFACTURING COMMUNITY**
The U.S. Department of Commerce today announced that South Kansas will be designated Manufacturing Communities...
[Read more...](#)



**GREAT PLAINS CALLED PART OF THE
STATE'S ECONOMIC ARSENAL**
Kansas Gov. Sam Brownback touted the Great Plains industrial Park's unique infrastructure and vast space on Thursday...
[Read more...](#)



WORKFORCE



EDUCATION



ENGINEERING



TAX ENVIRONMENT



REGULATION



INFRASTRUCTURE



**SUPPLIER
DATABASE**

[Find Manufacturing Suppliers in Kansas](#)



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Suite 100
Topeka, KS 66612-1354

Ph: 785-295-5268
TTY: 711
Fic: 785-295-5055

[Contact Us](#)

HELPFUL LINKS
[Kansas.gov](#)
[Kansas Department of Commerce](#)
[Kansas Business Center](#)
[Reshoring Initiative's Total Cost of Ownership Estimator](#)
[U.S. Dept of Commerce Access Cost Everywhere](#)

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TheKansasEdge.com

- Highlights strengths and advantages of doing business with companies in Kansas
- Latest news on The Kansas Edge initiative and manufacturing sector
- Features the Kansas Supplier Database



The Kansas Supplier Database

TheKansasEdge.com

- Developed by Kansas State University's Advanced Manufacturing Institute and ImageMakers in Wamego
- Version 1.0 - almost 3,200 businesses and business resources listed to date



The Kansas Supplier Database

TheKansasEdge.com

- Easier for companies to find Kansas suppliers, collaborators and customers
- Raise the visibility of the state's manufacturers inside and outside the state
- Serve as a primary information source of what companies say about themselves



The Kansas Supplier Database

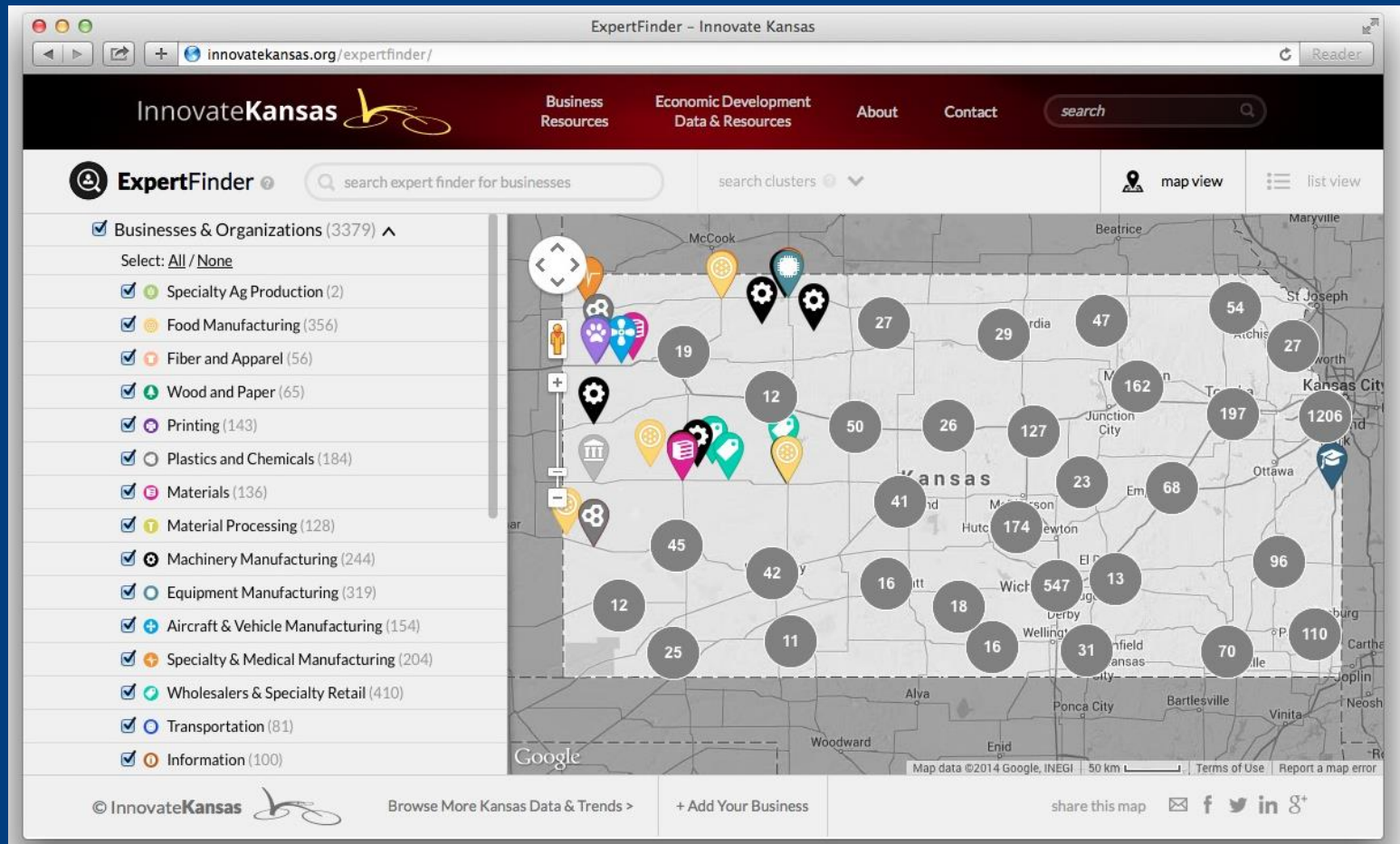
TheKansasEdge.com

- Dynamic database with company self update feature
- Database follows company move with markets or transitions to new markets
- Statewide visibility for networking, recruiting and more for the economic development community




Kansas Supplier Database

TheKansasEdge.com



Ability to Drill Down to Detailed Views

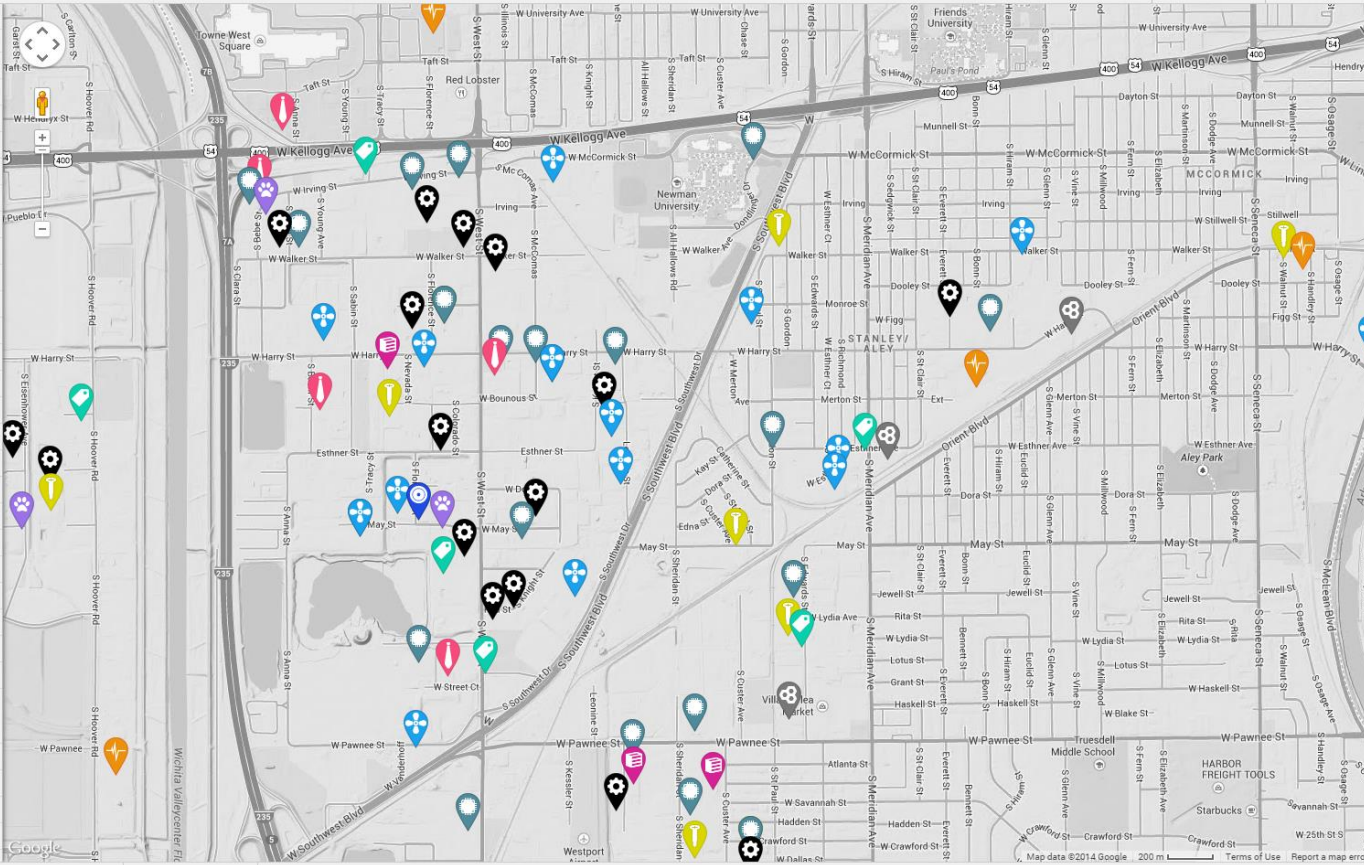
InnovateKansas  Business Resources Economic Development Data & Resources About Contact


ExpertFinder

☒ **Businesses & Organizations (3325)**

- ☒ Specialty Ag Production (73)
- ☒ Construction, Energy & Mining (94)
- ☒ Food Manufacturing (162)
- ☒ Fiber and Apparel (56)
- ☒ Wood and Paper (64)
- ☒ Printing (143)
- ☐ Plastics and Chemicals (185)
- ☒ Materials (135)
- ☒ Material Processing (128)
- ☒ Machinery Manufacturing (244)
- ☒ Equipment Manufacturing (319)
- ☒ Aircraft & Vehicle Manufacturing (154)
- ☒ Specialty & Medical Manufacturing (202)
- ☒ Wholesalers & Specialty Retail (401)
- ☐ Transportation (80)
- ☒ Information (98)
- ☒ Finance, Real Estate and Rental (53)
- ☒ Professional Services (398)
- ☒ Scientific Services (119)
- ☒ Administrative Services (57)
- ☒ Educational Services (15)
- ☒ Health Care and Social Assistance (63)
- ☒ Specialty Services and Recreation (71)
- ☒ Associations and Public Services (11)

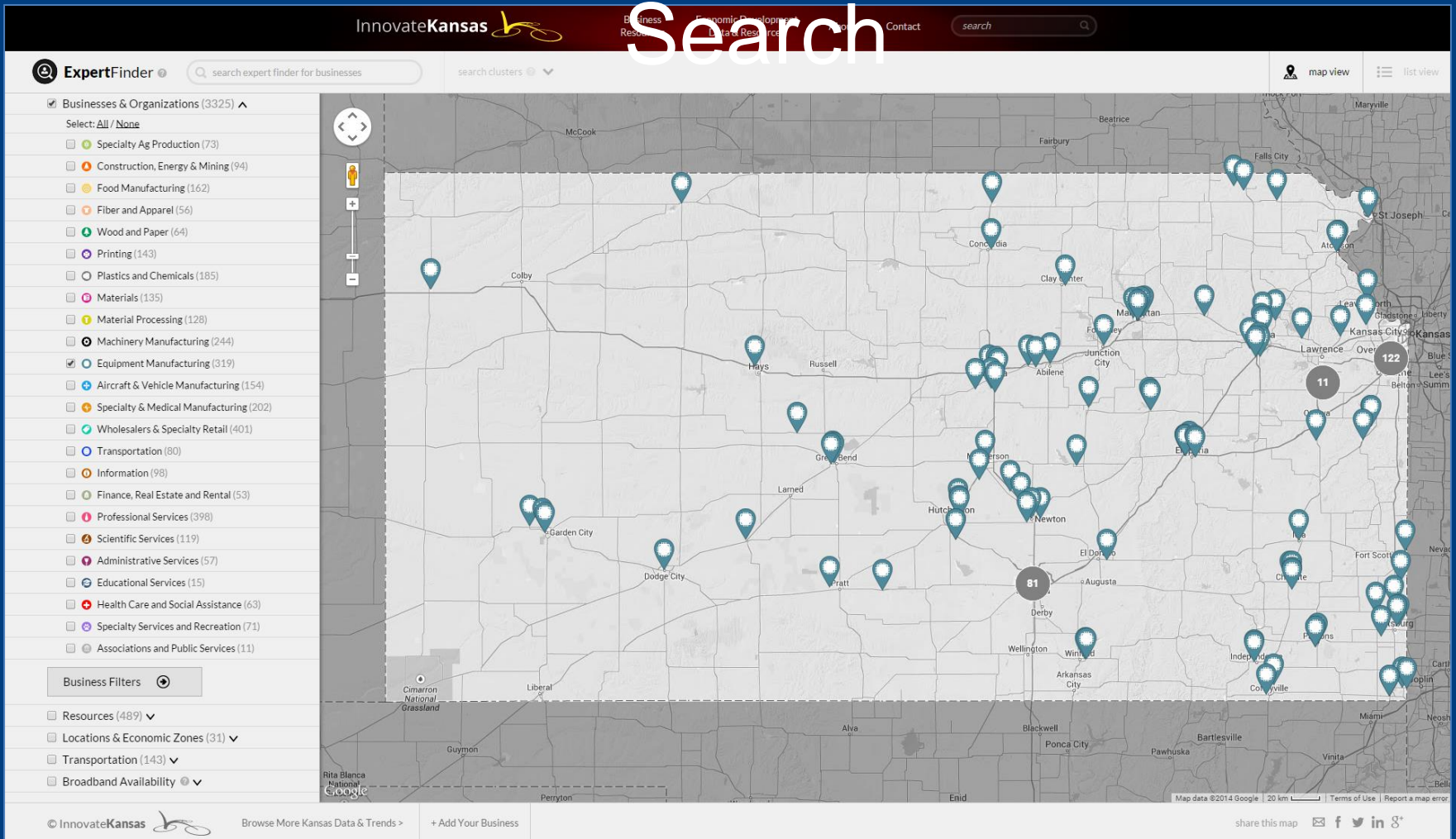
- ☐ Resources (489)
- ☐ Locations & Economic Zones (31)
- ☐ Transportation (143)
- ☐ Broadband Availability



© InnovateKansas  [Browse More Kansas Data & Trends >](#) [+ Add Your Business](#) [share this map](#) [f](#) [t](#) [in](#) [g+](#)

PER ASPERA AD ASTRAM

Example of Equipment Manufacturing



Basic Entity Information

innovatekansas.org/expertfinder/#toggled%5B%5D=businesses-209999&toggled%5B%5D=businesses-209999&toggled%5B%5D=businesses-209999

Apps New Tab Cloud Reader Amazon Cloud Player A Critical Few Popular Blogs Conservative Sources Bibliophile Sites LCMS Woodworking Maker Other bookmarks

InnovateKansas Business Resources Economic Development Data & Resources About Contact search

ExpertFinder search expert finder for businesses search clusters map view list view

☒ Businesses & Organizations (3287) ☐ Select: All / None

- ☐ Specialty Ag Production (70)
- ☐ Construction, Energy & Mining (89)
- ☐ Food Manufacturing (162)
- ☐ Fiber and Apparel (56)
- ☐ Wood and Paper (64)
- ☐ Printing (142)
- ☐ Plastics and Chemicals (184)
- ☒ Materials (134)
- ☐ Material Processing (128)
- ☐ Machinery Manufacturing (244)
- ☒ Equipment Manufacturing (316)
- ☐ Aircraft & Vehicle Manufacturing (153)
- ☐ Specialty & Medical Manufacturing (201)
- ☐ Wholesalers & Specialty Retail (391)
- ☐ Transportation (80)

Map view showing various business locations across Kansas. A popup for Marion Manufacturing, Inc. is displayed, showing services (Rolling mill machinery) and website (www.marionmanufacturing.com).

© InnovateKansas Browse More Kansas Data & Trends > + Add Your Business share this map f t in g+



Detailed Entity Information

Marion Manufacturing, Inc.

[update listing](#)

Contact Person David Richmond
Telephone Number 888-865-8740
Fax Number 620-382-2322
Web <http://www.marionmanufacturing.com>



Sector MANUFACTURING SUPERCLUSTER, *Machinery manufacturing subcluster,
Advanced Production, Automation & Industrial Machinery

Services Rolling mill machinery

Tags for Marion Manufacturing, Inc.

aia association available building business channel chapter
coble coble street coil coil processing company construction



S. Coble St. 201

[get directions >](#)

More Businesses Like This

Ptmw, Inc.
Starlite Manufacturing Company, Inc
Webco Manufacturing, Inc
Full Vision, Inc.
A & E Custom Manufacturing Technologies, Inc.



Even More Detail with Business Filters

The screenshot displays the ExpertFinder - Innovate Kansas website. The browser address bar shows innovatekansas.org/expertfinder/. The website header includes the InnovateKansas logo and navigation links: Business Resources, Economic Development Data & Resources, About, and Contact. A search bar is located in the top right corner.

The main content area features the ExpertFinder logo and a search bar with the placeholder text "search expert finder for businesses". To the right of the search bar are links for "search clusters" and "map view".

On the left side, there is a list of business categories with checkboxes and counts:

- ☒ Wholesalers & Specialty Retail (410)
- ☒ Transportation (81)
- ☒ Information (100)
- ☒ Finance, Real Estate and Rental (56)
- ☒ Professional Services (381)
- ☒ Scientific Services (120)
- ☒ Administrative Services (62)
- ☒ Educational Services (17)
- ☒ Health Care and Social Assistance (68)
- ☒ Specialty Services and Recreation (81)
- ☒ Associations and Public Services (12)

Below this list is a "Business Filters" section with a plus icon. It includes several filter categories:

- ☐ Resources (489) ▾
- ☐ Locations & Economic Zones (31) ▾
- ☐ Transportation (143) ▾
- ☐ Broadband Availability (2) ▾

To the right of the filters, there are three sections of checkboxes:

- ☐ Minority or Woman Owned (271)
- ☐ Government Contractor (187)
- ☐ Exporter (329)

Revenue

- ☐ unknown (170)
- ☐ Less than \$1MM (1430)
- ☐ \$1MM to < \$5MM (917)
- ☐ \$5MM to < \$75MM (675)
- ☐ \$75MM to < \$200MM (34)
- ☐ \$200MM + (153)

Employment

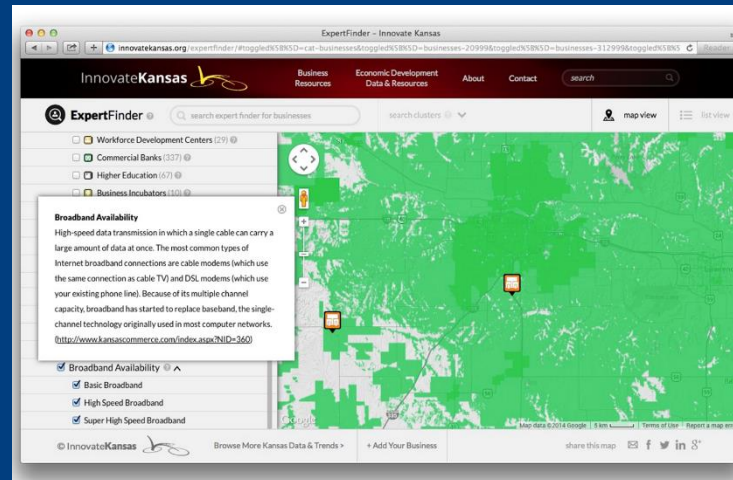
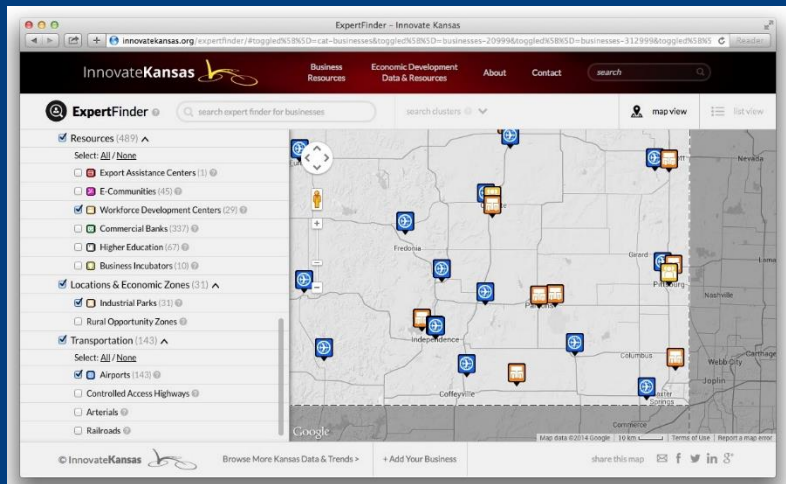
- ☐ 1 (580)
- ☐ 2 to 9 (997)
- ☐ 10 to 99 (1173)
- ☐ 100 to 499 (361)
- ☐ 500 + (268)

On the right side of the page, there is a map of Kansas showing various cities and business locations marked with numbered circles. The map includes a scale bar (50 km) and a "Map data ©2014 Google, INEGI" attribution. At the bottom of the map, there are links for "Terms of Use" and "Report a map error".

The footer of the website includes the InnovateKansas logo, a link to "Browse More Kansas Data & Trends >", a link to "+ Add Your Business", and social media links for Facebook, Twitter, LinkedIn, and Google+.



Still More Detail-Business Resources Filters



Ability to Update/Add a Listing to Database

ExpertFinder – Innovate Kansas

innovatekansas.org/expertfinder/#q=flame&z=7&lat=38.65666749317601&lng=-97.73585038809865

ExpertFinder

Update Listing For
Flame Engineering, Inc.

Name of Company	Contact Person
Flame Engineering, Inc.	
Telephone Number	Fax Number
E-mail Address *	Website
	http://www.flameengineering.com
Industry / NAICS	Services
MANUFACTURING SUPERCLUSTER, *Machinery m	Aircraft parts and equipment
Activities	We Look For
We Offer	



Research

- Water
- Aviation
- Database
- Regionalism
- Workforce Alignment



Future Topics

- Regional Strategic Plans
- Marketing
- Agriculture



QUESTIONS?

