

Final Report

Red Rock Township: Investment Attraction & Consulting Services

March 29, 2009



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1 Executive Summary

Millier Dickinson Blais was engaged by the Township of Red Rock to conduct a public consultation process, community analysis and gap analysis with an objective of making recommendations on the priorities for future investment attraction projects.

An outcome of this work is a clear indication that Red Rock has competitive strengths and weaknesses that distinguishes it and makes it both a treat and a challenge to promote.

The Township's staff, committee representatives, respective municipal Councils and people in the community want to see the community more proactive and more focused on achieving specific deliverables. Because Red Rock's office and its partnering organizations have done some great work in the past, there is a lot of enthusiasm about making progressive change in order for it to do even better. The following document provides Red Rock with a structure for that change. Identified within are a number of recommendations that will bring focus to activities.

The emphasis of this strategy is to transition Red Rock from a community that has relied primarily on one large employer for both its jobs and its image to a community that is economically diversified and has an image that encourages new investment. Key recommendations include:

- Creating a 20% increase in the number of Lone Eagles located in the community in the next five years
- Continued vertical diversification in the manufacturing sector including more research and innovation
- A stable number of operators that provide visitors and locals with unique experiences and a place that is recognized as a quick "getaway" location for urbanites
- An increase in the housing stock and services to the young active retiree.
- Completion of an eco-industrial network that supports the community's greening initiatives and desire to find employers that will make use of available utilities.
- Based on the organization's limited budget, the most effective way to stretch dollars is to work with regional partners such as Nipigon and combine messages for the Lone Eagle, tourism and active retirees.

With attention to these initiatives, the Township of Red Rock will strengthen the local economy and offer its current and future citizens what they are looking for when it comes to quality of life and enjoyment of their surroundings.

2 Introduction and Methodology

Red Rock is situated on the North Shore of Lake Superior approximately 100 km east of Thunder Bay. The Township borders Highway 11/17 with the main settlement area eight km south via Highway 628.

Once a successful mill town of 2,400, the Township of Red Rock has suffered a decline in population and employment since the closure of the Norampac paper mill in November of 2006. The population of Red Rock is currently approximately 1,000. Major employers in the town are the education sector, local government and eleven private sector employers in the service sector. With the closure of the mill, the Township received funding from the Ministry of Training, Colleges and Universities for a Community Adjustment Project which ceases in September of 2009.

The Township is focused on developing a diverse local economy that includes:

- Increased employment
- Promotion of business attraction, retention and expansion
- Identification and stimulation of the appropriate investment vehicles and opportunities to support trade and tourism development
- Improvement of the local quality of life.

The Township of Red Rock retained the services of Millier Dickinson Blais Inc. to assist in developing Investment Attraction Strategy for 2009 and onwards. The Strategy will allow the Community Development Office to identify key priorities and optimal areas of activity, and includes:

- The Township's competitive advantages and competitive disadvantages
- A gap analysis that identifies remediation measures for competitive disadvantages that need to be improved before success can occur
- The degree to which the Township is 'investment ready'
- Key site selection criteria for each of the target sectors
- Current and future budget for investment attraction (financial and human)
- Economic development marketing tools, tactics and targets

2.1 The Role of the Investment Attraction Strategy

It is not possible, with a single definition, to capture all the facets of community economic development. It is usually described either in terms of objectives such as employment creation, wealth generation and quality of life, or as a process which tries to shape and encourage growth, competitiveness, sustainability and the overall economic well being of a community.

What is most common amongst all definitions is the implied and, in some cases, explicitly recognized, role of government, as it is responsible for creating the environment in which economic development occurs. Investment attraction is fundamentally about enhancing the factors of productive capacity – land, labour, capital and technology – of a national, provincial or local economy. By using its resources and powers to reduce the risks and costs that could prohibit investment, the public sector often has been responsible for setting the stage for employment-generating investment by the private sector.

Importantly because a consensus definition for economic development does not exist, there is no single strategy, policy or program direction for achieving success. The unique mix of geographic, political, economic and social attributes of a community will present a distinctive set of challenges, and requires different solutions, for economic development to be successful.

2.2 Why Undertake an Investment Attraction Strategy?

The Investment Attraction Strategy describes a roadmap for the Township and its partners (private, non-profit, public sector) illustrating how they can work together to enhance employment, investment and quality of life opportunities that benefit the entire area. The strategy is based on the premise that the town can develop visions and goals of what it wants to become, determine the sectors in which it has the best chance of being successful and apply resources to achieve them. If done systematically and over the long-term, Red Rock can enhance its economic base while maintaining its core values.

For the Township of Red Rock, there are a number of motivating factors for this Economic Development Strategy. They include:

- Identifying which industry sectors and business types would most likely succeed and grow in Red Rock
- Identifying what gaps currently exist in the community that may deter the identified sectors from locating in Red Rock and from achieving success
- A strategy for mitigating and managing the gaps
- A Marketing Plan
- Assistance with a framework for an investment attraction web application

In reality, Red Rock is continuously making decisions that affect economic development. The most obvious ways in which economic development is influenced by local government are through decisions on land use and property taxation, but there are many other ways in which economic development can also be either positively or negatively affected. Examples include the working relationship between local government and the business community, the cost and time required to move through municipal review and approval processes and the effort made to understand and respond to the needs of business.

Community economic development is about more than attracting companies and investments to a community. These opportunities are part of stimulating growth, but they should not be pursued at the expense of overlooking the needs of the community and existing businesses. In fact, research from numerous sources shows that existing businesses create 60%-90% of all new economic growth in a community¹. Rural communities tend to sit in the higher part of the above range because they are generally more challenged than urban centres in attracting inward investment.

There will be a component within the following strategy that includes efforts to foster growth within the existing business community. Having said that, there is a role for investment attraction in Red Rock's strategy and this report will also examine this in much more detail.

¹ Examples of this research include The Ohio State University (2002); North Dakota Department of Commerce (2001); University of Illinois (2004).

In marketing you often need to reach out to a lot of people, since at some level it's a game of numbers, but also must save your best energy and sufficient time to talk to the clients and prospects most likely to give you business. This is where an Investment Attraction Strategy really helps.

2.3 Methodology

Project Initiation

During the initial phase, we confirmed the project scope, reporting schedules, deliverables, milestones, meeting dates and presentations. This involved a consultation with the Community Development Officer to confirm working relationships, contact points, staff responsibilities, project timing and deliverables. The consulting team reported through the Community Development Officer.

Plans for Consultation and Communications

Also during the initial consultation, we focused on the need for an effective stakeholder engagement strategy. This strategy included:

1. Consultation Plan that outlined the target groups to be involved in the process and how to engage them in the process. The list of stakeholders included recommended representatives from public agencies as well as those with particular expertise in commercial and industrial interests in a wide variety of fields, as per the RFP.
2. Communications Plan that outlined the information process to make stakeholders aware and garnered interest and support for participation in the process.

Background Review and Reconnaissance

A comprehensive review of available background literature and studies provided us with a strong understanding of the current state of research and economic development activity in the Township. In addition, background reconnaissance identified the historic and emerging market conditions impacting Red Rock's role and competitive position within the regional and provincial economies. This analysis also informed our initial review of the strengths, weaknesses, opportunities and threats related to Red Rock's ability to retain, expand and attract new business investment and to understand its other economic development opportunities.

Our literature review included: any relevant municipal documents provided by the Community Development Officer as well as any relevant regional and provincial industry sector publications, professional reports, labour market reports, relevant existing Statistics Canada data and other select data sources as it related to Red Rock's economy. Particular attention was given to reports and

publications that provided insight into the high level and local trends that impacted the town's key industry and business sectors including existing economic analysis reports, industry sector and subsector strategies and regional data sources.

One-on-one Interviews and Vision/Focus Sessions

This consultation process included one-on-one telephone and fifteen in-person interviews or meetings with internal and external stakeholders associated with a range of local organizations and interests such as members of the Community Adjustment Committee, and local developers and property owners.

We held a strategy session – with the Community Adjustment Committee and staff from the Community Development department. Participants helped to establish a vision for economic development with a focus on developing overarching goals for employment, infrastructure, commercial and industrial growth, land use and other aspirations in the community.

Insight gained throughout the stakeholder consultation process assisted in the identification of key issues and opportunities upon which has formed the base of the following document.

3 Economic/Community Profile

This section contains a number of tables and figures that will display the current state of the economy and significant trends that have been experienced in the Township of Red Rock. It will set the stage for the detailed examination and discussion of competitive advantages, competitive disadvantages and strategic objectives.

When reviewing the performance of Red Rock's economy, it is important to reflect on the fact that until recently, the traditional comparative economic advantage for many communities across the country has been ready access to natural resources, an ample supply of well skilled and semi-skilled labour at reasonable costs, relatively cheap supplies of energy and proximity to the United States market. These advantages have favoured, and for a long period of time sustained, a resource and manufacturing based economy in many communities across Ontario and Canada.

But these advantages are diminishing as evidenced by the rate at which labour intensive industrial activity has moved off-shore to lower cost locations or the degree to which manufacturing functions have been automated in order to reduce cost and increase production. The ongoing loss of manufacturing jobs in Canada is also an indicator of a sector that is both transitioning and transforming. While many communities are experiencing these trends and the resulting downturns in their local economies, it is the smaller towns and cities that can feel this impact, more particularly.

The growing impact of technology on business and industrial operations is redrawing the country's industrial base and opening up new opportunities for pharmaceutical crops, precision products from advanced manufacturing and newly-branded local and regional products marketed via the Internet – markets that did not exist a few short years ago.

In addition, a different kind of high tech company is emerging, one that is oriented around the technology needs of local companies, in other sectors of the economy such as manufacturing, retail trade, finance & real estate, business and professional services. Technology development companies are showing up in smaller regions, including cost-conscious firms, and entrepreneurs who simply prefer the lifestyle and improved quality of life offered by these communities.

A cornerstone to developing an economic development strategy is an understanding of a community or region in terms of its economic assets – business base, labour force, quality of life, etc. – as well as its potential. This section contains a number of figures that will display the current state of the economy and significant trends that have been experienced in Red Rock Township. It will set the stage for the detailed examination and discussion of competitive advantages, competitive disadvantages and strategic objectives.

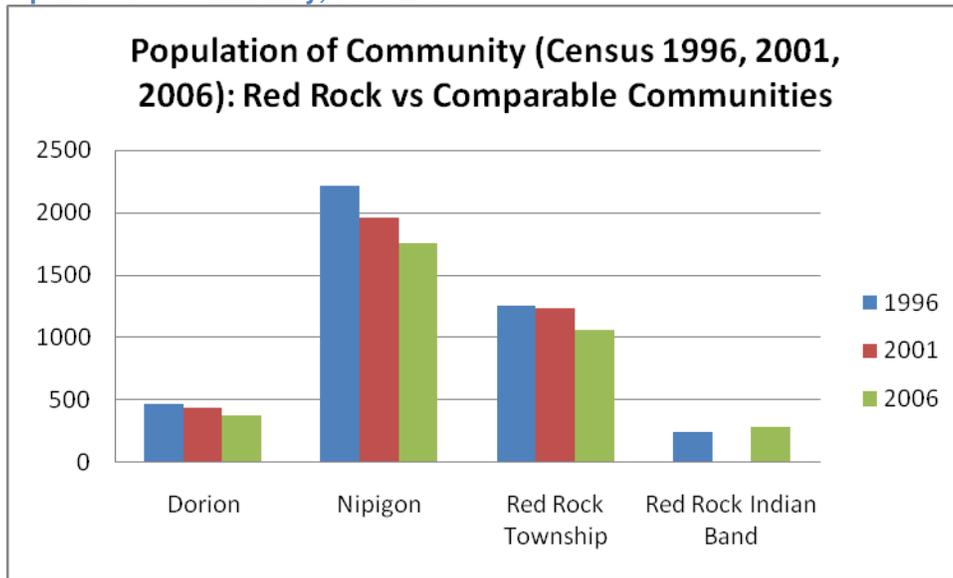
Within this section there will be a focus on:

- Competitive results such as construction activity, employment and income levels
- Competitiveness issues such as tax rates, cost of development, education levels and labour force skills.

3.1 Population & Labour Force

The recent 2006 Census confirms the population of Red Rock Township to be 1,063. This reflects a 13.8% decrease from the 2001 Census. This figure represents a significant loss of its residents over a five year period, especially when contrasted with the provincial increase of 6.6%. On the other hand, Red Rock Indian Band has shown a slight increase in population, but when combined with losses in Dorion and Nipigon, there has been a total loss of population in the region over the last 10 years – refer to figure 1.

Figure 1 – Population of Community, 1996-2006



Source: Statistics Canada

Figure 2 – Population Age Structures 2006

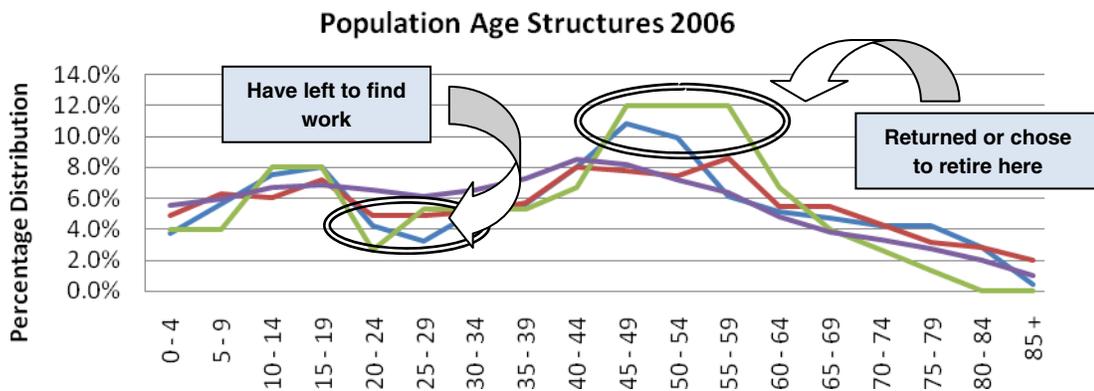
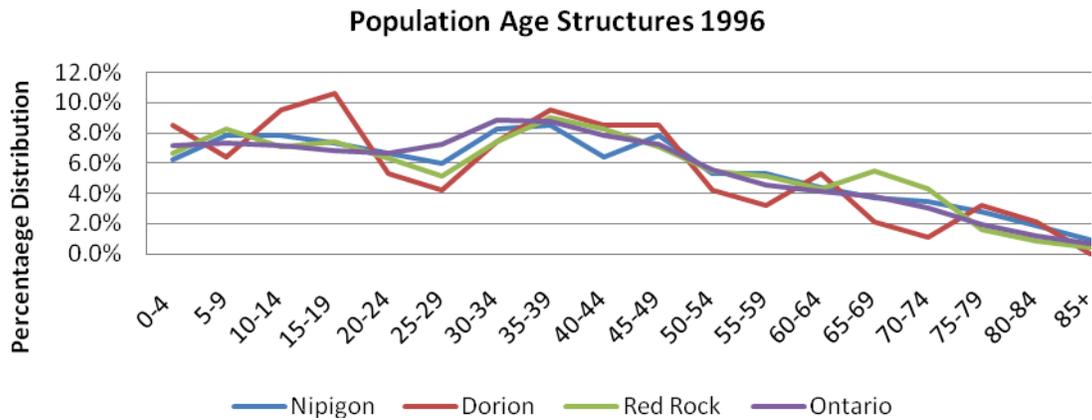


Figure 3 - Population Age Structures 1996



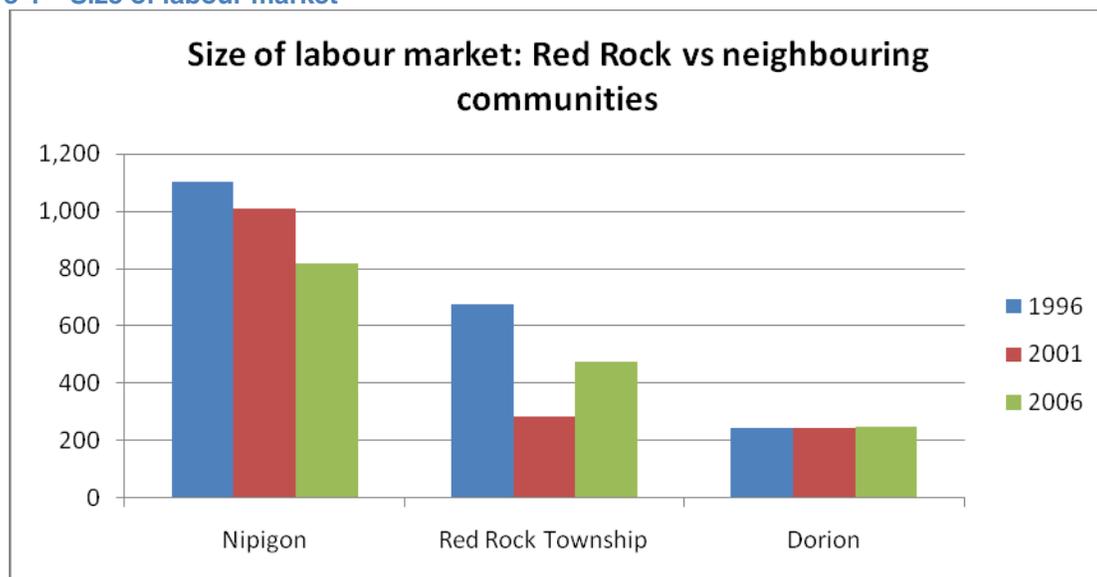
Source: Statistics Canada

Figures 2 and 3 illustrate that the region has a low percentage of persons within the key labour market cohorts (25-34 & 35-44 years old) and that it has been further exaggerated versus the Ontario average during the last 10 years. Red Rock is has a high number of its population between 45 and 59. Since this group will be headed for retirement soon, there will likely be changes in the types of services demanded by residents in the community. The high representation of youth points to a much younger community and one that, with appropriate skills development, offers potential employers the option of supplementing a mature workforce with those of a younger generation.

3.2 Size of labour market

Red Rock’s employment base shrunk in 2001 but picked up in 2006. Figure 4 measures the labour force of Red Rock to its immediate neighbours.

Figure 4 – Size of labour market



Source: Statistics Canada.

Figure 5 – Employment Statistics

2006 Employment Statistics	Red Rock
Participation Rate	54.3%
Employment Rate	48.0%
Unemployment Rate	12.6%

Source: Statistics Canada

3.3 Employment by Sector

Between 2001 and 2006, Red Rock’s labour force increased from 630 to 875, a change of 38.9%. It is noticeable that the predominant industry in Red Rock in 2001 was manufacturing. This industry lost 40 jobs from 2001 to 2006, a decline of 19%. Ontario on the other hand grew 13.7% in this sector, which means that Red Rock was lagging in this sector during that period.

Figure 6 shows the distribution of employment across all Red Rock sectors with time. It can be noticed that Manufacturing constitutes the greatest share of employment across all sectors (37.8%) in 2001. This declined to 37% in 2006, reflecting the challenges within the industry. Since that time, the total closure of the mill has reduced this number to be nearly non-existent with the only employees remaining to maintain the property. Education services are the second largest employer within Red Rock, making up 17.4% in 2006 – a dramatic increase since 2001. Healthcare and social assistance is the third largest industry by distribution in Red Rock with 8.7% of all workers in the labour force in 2006.

The sectors with the largest growth in share of employment have been Educational Services followed by Accommodation and Food Services. Although Red Rock is relatively diverse in some sectors, the dependence on manufacturing has presents many challenges for the township. The highest private sector area is noted as Accommodation and Food Services.

Figure 6 – Employment by Industry

Red Rock Township	2001 Employment	2006 Employment	% Distribution - 2001	% Distribution - 2006
Agriculture, forestry, fishing and hunting	10	20	1.8%	4.3%
Mining and oil and gas extraction	0	15	0.0%	3.3%
Utilities	20	0	3.6%	0.0%
Construction	10	0	1.8%	0.0%
Manufacturing	210	170	37.8%	37.0%
Wholesale trade	0	0	0.0%	0.0%
Retail trade	80	35	14.4%	7.6%
Transportation and warehousing	15	10	2.7%	2.2%
Information and cultural industries	0	0	0.0%	0.0%
Finance and insurance	15	0	2.7%	0.0%
Real estate and rental and leasing	0	0	0.0%	0.0%
Professional, scientific and technical services	0	0	0.0%	0.0%
Management of companies and enterprises	0	0	0.0%	0.0%
Administrative/Waste Mgmt/Remediation Services	0	0	0.0%	0.0%
Educational services	50	80	9.0%	17.4%
Health care and social assistance	45	40	8.1%	8.7%
Arts, entertainment and recreation	0	10	0.0%	2.2%
Accommodation and food services	15	35	2.7%	7.6%
Other services (except public administration)	10	10	1.8%	2.2%
Public administration	60	20	10.8%	4.3%

Source: Statistics Canada

3.4 Labour Force by Occupation

A widely-used method for determining where business strengths for a particular community lies in the process of examining the community's labour force profile based on occupational categories. Figure 7 provides a comparison of the labour force distribution by occupation in Red Rock for the period from 2001 to 2006. These results are taken from Statistics Canada and they provide information on what occupations the residents of Red Rock are employed in, even if those jobs are located outside the Township. The Township's labour force concentration is the highest in the two following occupations:

- Sales and Service (27%)
- Occupations unique to processing, manufacturing and utilities (24%).

The Township also has a significant proportion of occupations in:

- Trades, Transport and Equipment operators
- Occupations in social science, education, government service and religion
- Management occupations

Figure 7 – Employment by occupation

Occupation figures for 2006	Employment Nipigon	Employment Red Rock	% Distrib - Nipigon	% Distrib - Red Rock
Management occupations	50	40	6.3%	9.9%
Business, finance and administration occupations	80	30	10.1%	7.4%
Natural and applied sciences and related occupations	20	0	2.5%	0.0%
Health occupations	40	20	5.0%	4.9%
Occupations in social science, education, government service and religion	70	45	8.8%	11.1%
Occupations in art, culture, recreation and sport	20	0	2.5%	0.0%
Sales and service occupations	190	110	23.9%	27.2%
Trades, transport and equipment operators and related occupations	150	50	18.9%	12.3%
Occupations unique to primary industry	20	15	2.5%	3.7%
Occupations unique to processing, manufacturing and utilities	150	95	18.9%	23.5%

As a method of comparison, the project team has provided data on the Township's, Region's, and Province's occupational labour force. Figure 8 shows some interesting trends. From 2001 to 2006, the proportion of the Township's labour force in Sales and Service grew by 6.7%, whereas regionally it expanded by 0.1% and provincially at 0.6%. The proportion of the Township labour force in Occupations Unique to Processing, Manufacturing and Utilities grew by 4.8%, whereas regionally and provincially it declined by 1%. The figures also show that Occupations Unique to Primary Industry grew by 2% while shrinking in the region and province by 0.2% and 0.1% respectively. Most occupations declined in employment between 2001 and 2006, which underscores Red Rock's economic challenges.

Figure 8 – Regional and Provincial Occupation Comparison

Red Rock Township, Thunder Bay, Ontario: Labour Force by Occupation 2001, 2006						
Occupations	Red Rock Township		Thunder Bay		Ontario	
	2001	2006	2001	2006	2001	2006
Management	10.71%	9.89%	8.30%	7.70%	11.40%	10.30%
Business, Finance and Administration	11.61%	5.49%	14.50%	16.00%	18.30%	18.60%
Natural and Applied Sciences	2.68%	0.00%	4.70%	5.00%	7.10%	7.00%
Health	3.57%	4.40%	6.10%	7.10%	4.80%	5.30%
Social Science, Education, Government Service and Religion	8.04%	9.89%	8.60%	9.60%	7.60%	8.40%
Art, Culture, Recreation and Sport	1.79%	0.00%	2.00%	2.10%	2.90%	3.10%
Sales and Service	19.64%	26.37%	26.60%	26.70%	22.90%	23.50%
Trades, Transport and Equipment operators	24.11%	14.29%	19.40%	17.50%	14.10%	14.10%
Occupations Unique to Primary Industry	1.79%	4.40%	4.20%	4.00%	2.70%	2.60%
Occupations Unique to Processing, Manufacturing and Utilities	16.07%	20.88%	5.60%	4.20%	8.20%	7.20%

Source: Statistics Canada

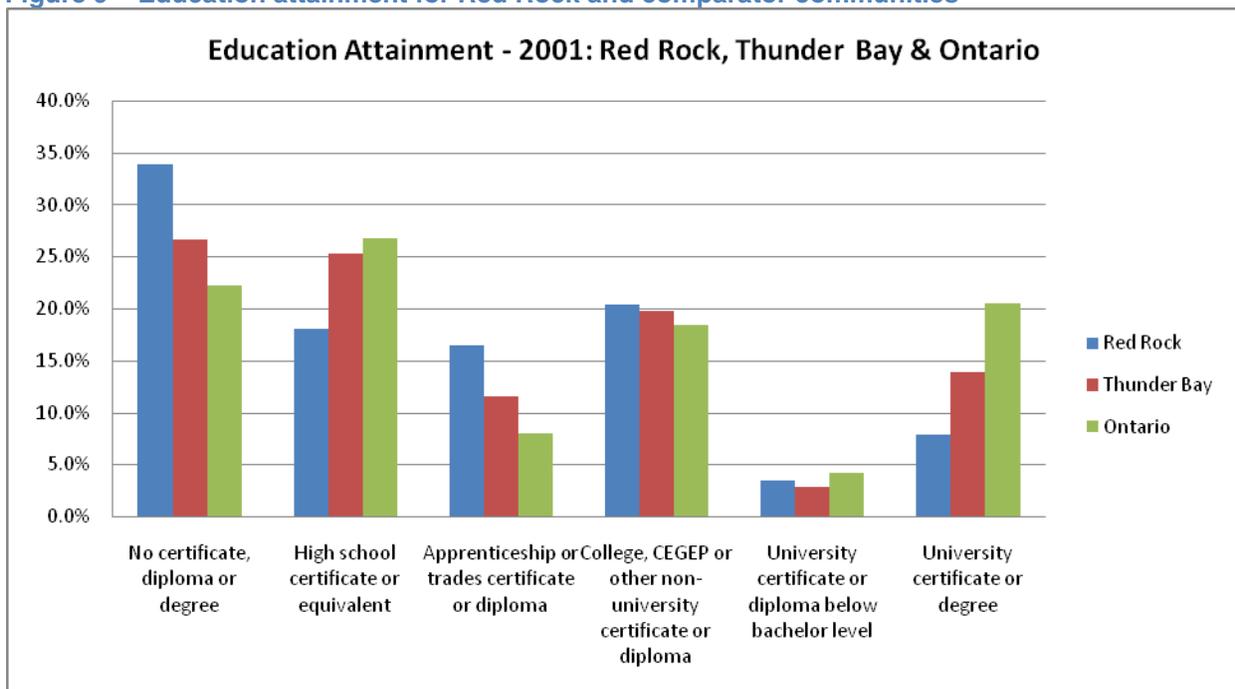
3.5 Education

A community’s human capital is an indicator of its growth potential because it speaks to the capacity for innovation and entrepreneurial activity. Human capital is defined as the accumulation of skills and talents which manifests itself in the educated and skilled workforce of a given region. For Red Rock, the proportion of its residents advancing their educational pursuits has implications for the growth of its economy and the attractiveness of its labour force to business attraction and investment.

Figures 9-12 indicate the current educational attainment levels for the population in Red Rock and comparator communities. These statistics are based on the total population above the age of 20. Figure 10 results indicate that Red Rock has seen a modest increase in the distribution of those with no certificate, diploma or degree and apprenticeship or trades certificate or diploma; from 2001 to 2006 growth was 5.1% and 7.3% respectively. The number of people with university certificates or diplomas below bachelors also grew slightly by 1.7%.

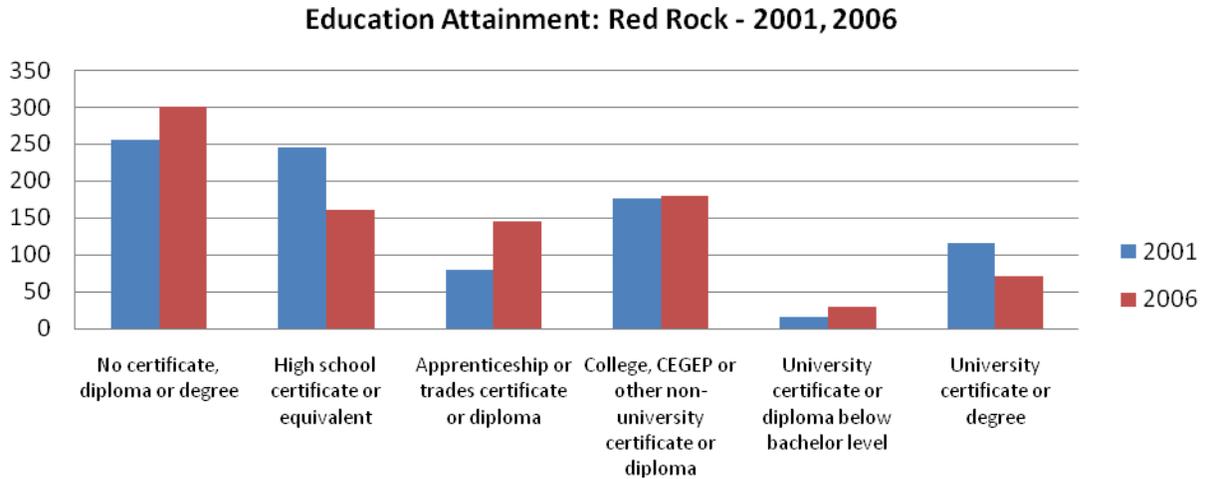
Among the three townships, Red Rock has a lower percentage of people with no certificate, diploma or degree and apprenticeship or trades certificate or diploma in 2001. In 2006, Red Rock had a higher average than its comparators among people with no certificate, diploma or degree, apprenticeship or trades certificate or diploma. This trend places certain limitations on local growth and development.

Figure 9 – Education attainment for Red Rock and comparator communities



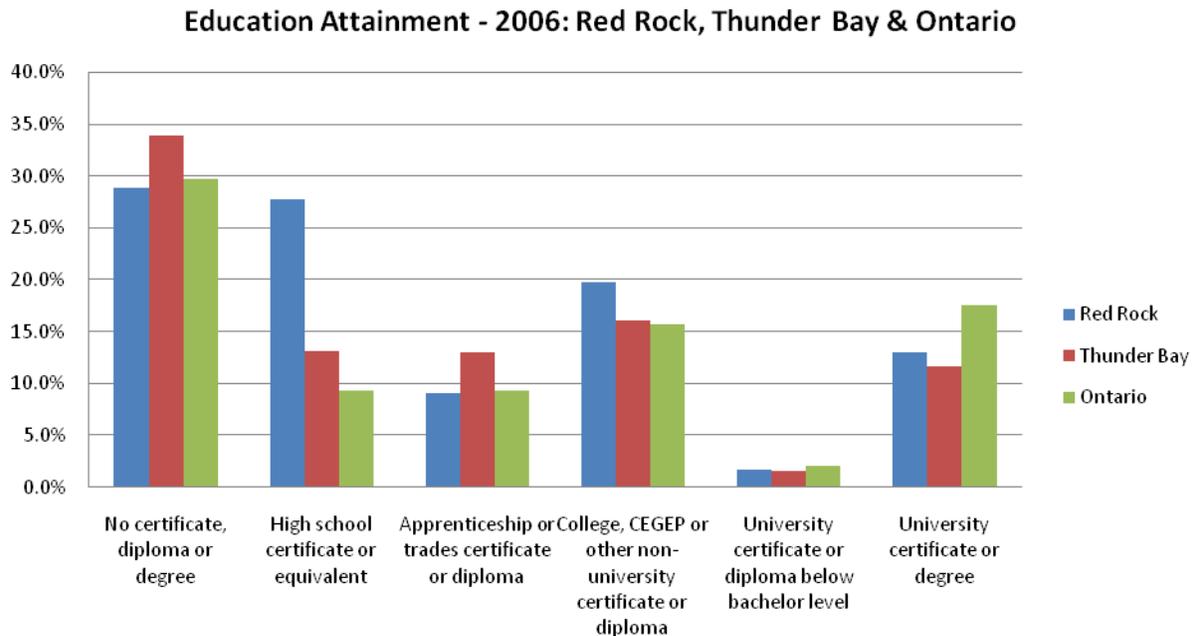
Source: Statistics Canada

Figure 10 – Education Attainment for Red Rock



Source: Statistics Canada

Figure 11 – Educational Attainment for Red Rock and Regional Communities



Source: Statistics Canada

Figure 12 provides a breakdown of post-secondary educational attainment by primary field of study. These figures show the highest post-secondary qualifications that Red Rock residents above the age of 20 have received (as of 2006). The dominant fields of study are:

- Architecture, engineering and related technologies (33%)

- Health, parks, recreation and fitness (13%)
- Education (13%)

The Township also had a high percentage of expertise in the areas of:

- Social behavioural sciences and law
- Business, management and public administration

The significant presence of professionals with education in these fields positions Red Rock for economic growth if it can enhance the value they create and seize entrepreneurial and business attraction opportunities.

Figure 12 – Major Field of study for Red Rock

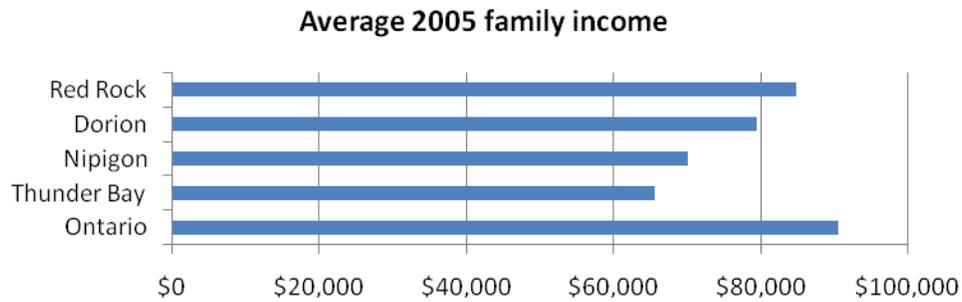
Major field of study (2006)	Total - Labour force activity	Distribution
Education	45	13.8%
Visual and performing arts, and communications technologies	10	3.1%
Humanities	10	3.1%
Social and behavioural sciences and law	35	10.8%
Business, management and public administration	35	10.8%
Physical and life sciences and technologies	10	3.1%
Mathematics, computer and information sciences	0	0.0%
Architecture, engineering, and related technologies	110	33.8%
Agriculture, natural resources and conservation	15	4.6%
Health, parks, recreation and fitness	45	13.8%
Personal, protective and transportation services	20	6.2%
Other fields of study	0	0.0%

Source: Statistics Canada

3.6 Income

Average income rates provide important information about the wealth generated by the local population within a given community. High income rates in a region or township indicate that there may be a higher level of disposable income. In turn, these high income rates may spur local economic growth for businesses as the population can spend more of their income at those same businesses. Red Rock's average family income has increased by 146% from 2000 to 2005. This number is obviously exaggerated because a small number of residents with a high income can skew the average. Figure 13 provides an indication of current and historic household income levels at the city-wide, regional and provincial levels. According to 2005 data, the average household income in the Red Rock in 2005 was \$84,762 compared to the District of Thunder Bay's average of \$65,174 and the Ontario average of \$90,526.

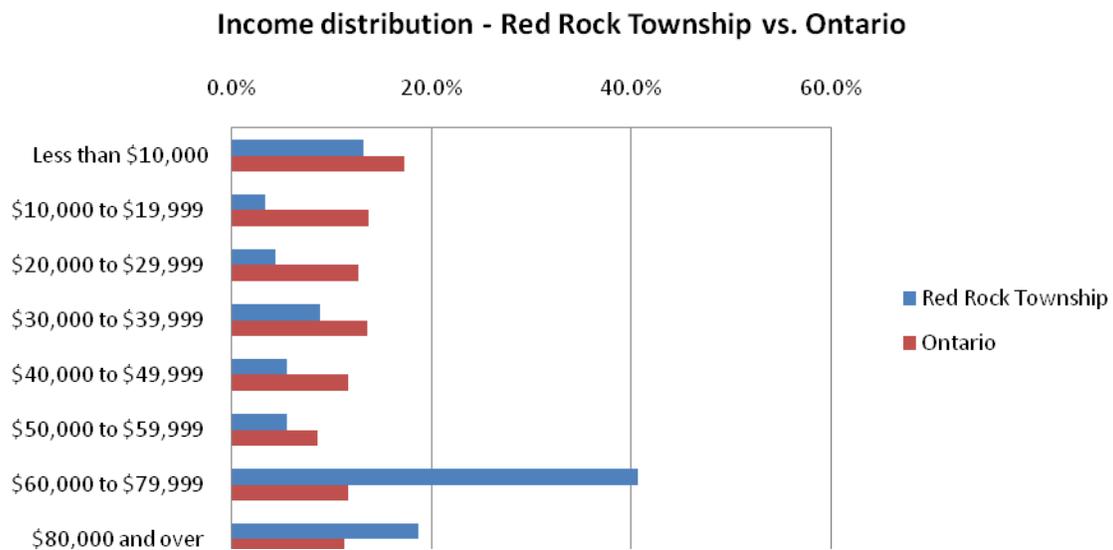
Figure 13 – Average Family Income, Red Rock 2005



Source: Statistics Canada

Figure 14 indicates that the Township of Red Rock has an income disparity especially considering the number of people that earn less than \$10,000. Compared to higher income earning brackets, there seems to be more people in the \$60,000 to \$79,000 range than any other group.

Figure 14 – Income Distribution, 2005



Source: Statistics Canada

4 Strategic Objectives and Guiding Principles

An effective economic development strategy is one that is fact-based and incorporates bold but practical strategies that are likely to work. Based on the consultation and research that went into this work, a central vision and guiding principles that form the core of the future economic development investment strategy for the Township of Red Rock Community Development Office was developed. In this portion of the work, the strategies articulated are broad, reflecting a series of “aspirational” goals and strategic objectives that formed the basis of a more detailed action plan (described below).

The goals and related strategies were based on information derived from:

- discussions with community development staff
- a review of the existing economic development initiatives and best practices
- a look at what economic development tactics other jurisdictions are employing
- identification of initiatives to increase competitiveness
- community profile and economic base analysis
- community and stakeholder input from the consultation processes
- a review of available and needed resources to implement suggested components of the Strategy
- our professional experience with respect to findings related to other similar assignments

Consideration was also be given to the barriers and opportunities for growth and how best to mobilize existing resources through the use of partnerships with other municipalities, levels of government, business, academia and not-for-profit organizations.

4.1 Strategic Objectives

The following strategic objectives are recommended for the Township of Red Rock’s Community Development Office:

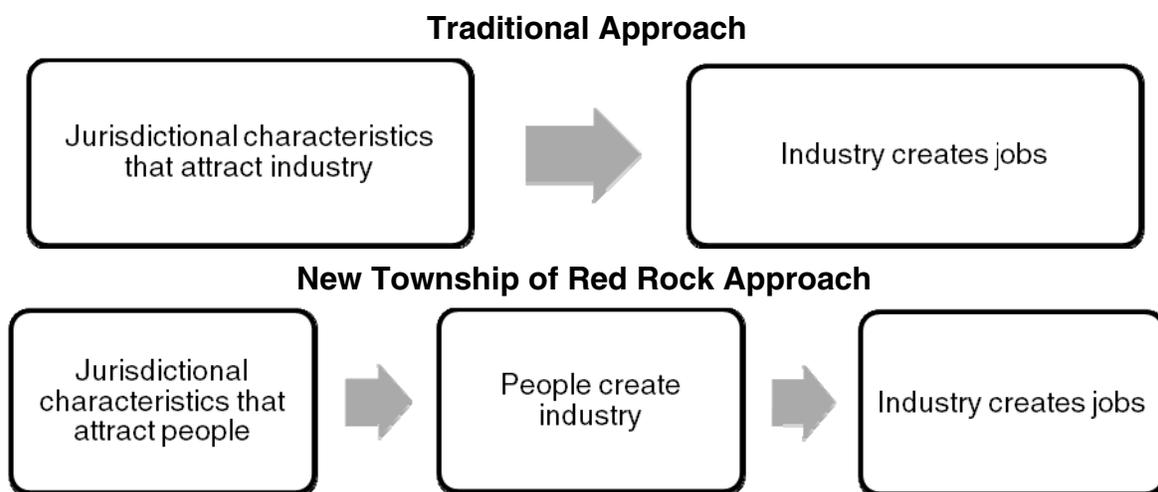
1. Pay attention to investment readiness fundamentals and be prepared for investment opportunities.
2. Become a preferred destination for Thunder Bay’s Lone Eagles and small business development through effective media relations and a branding program.
3. Ensure the growth and stability of the manufacturing base through proactive business retention and expansion initiatives and an active investment attraction program, including the reuse of the former mill property.
4. Establish a reputation as an eco-based business community.
5. Support the local tourism sector through strategic partnership with neighboring communities and investment in product that is complimentary to needs of Lone Eagles.
6. Become a destination of choice for ‘active retirees’ with housing, services and recreational amenities to meet the sector needs.

4.2 Guiding Principles – Important Concepts for Action Planning

4.2.1 Attract People, Not Industry

Richard Florida, in his book, ‘The Rise of the Creative Class’, projects that the future is trending towards economies in the developed world that can be located *anywhere* in a global sense. *Where* businesses choose to locate is becoming less a function of the traditional economic drivers such as jurisdictional cost (taxes), the supply of serviced industrial land, a ready supply of unskilled or semi-skilled labour, proximity to markets and transportation and much more a function of where *people choose to live*, which is governed by factors such as educational facilities, arts and culture activities, recreational amenities, etc. In other words, industry will not come to communities so much because of the availability of the basics of doing business (which of course must be present but frankly do little these days to distinguish one community from another), and more for the quality of life factors that uniquely differentiate places. This is shown in the diagram below which compares the traditional approach with the new Red Rock approach.

Figure 105– Approaches to Attract Economic Growth



The logic outlined above applies most especially to the knowledge-based industries (that rely in particular upon Florida’s notion of the creative class). Companies wishing to employ the talents and skills of such creative people must provide an environment that meets these needs; the locale in which they are located can play an even more important role than the working conditions at the workplace.

Fully half of the wealth in Canada is in the hands of the 50+ age group, the so-called ‘Baby Boomers’. Many of these are skilled and well-educated people who are seeking a different living format; some wish to retire early but many are looking for second careers, often very different that which created their wealth in the first place. Florida contends that the preferred environment for such people is more rural, but not in an isolated environment. Instead they are seeking a creative and vibrant milieu in a less structured frenetic format than exists in the major urban centres – a perfect opportunity for Red Rock.

Creative centres do not thrive solely because of traditional economic reasons such as access to raw materials, transportation routes and a general labour force. These centres thrive because *people want to*

live there. The newer economies require creative people who, in turn, require a creative environment. In order to attract and retain these people, companies must be located within this creative milieu.

4.2.2 There's a Role for Lead Generation and Prospecting

The selection of target industry sectors that follows in this report is an important component of being able to promote/sell effectively. Once there is an understanding and consensus on where the Township of Red Rock has the best chances of being successful, human and financial resources can be focused. "Selling" is an important part of any economic development professional's skill set. It should become an integral part of weekly activities. With target sectors selected, the Township can become much more confident in being proactive to reach out to potential investors/visitors and "influencers".

4.2.3 Technology is Having Significant Implications on Service Delivery

Any economic development organization necessarily responds to a number of target markets in the course of doing business. The chart below outlines the nature of these markets, and our recommendation as to what "top notch" service provision would imply for each. A key philosophy running throughout this Adjustment Plan is to enable the community to provide this kind of service to each of these target markets.

Figure 16: Service Delivery to Target Markets

Target Market	How They Interact with Economic Development	Examples of 'Top Notch' Service Provision
Existing Businesses in Community	<ul style="list-style-type: none"> - enquiries related to business development and expansion - response to various initiatives aimed at retention, upgrading & expansion - participation with economic development organization in advocacy initiatives 	<ul style="list-style-type: none"> - regular visitation to ensure that Red Rock is meeting their on-going needs - economic development involvement in various initiatives that improve the overall climate for doing business in Red Rock - immediate response to specific enquiries or, at a maximum, within 24 hours
Potential Tourists and Visitors	<ul style="list-style-type: none"> - enquiries related to tourism attractions, events and facilities 	<ul style="list-style-type: none"> - provision of required information on an attractive and user-friendly tourism-oriented web site - assistance to larger groups with planning visits and events in Red Rock - immediate response to specific enquiries or, at a maximum, within 24 hours
Potential New Businesses	<ul style="list-style-type: none"> - unsolicited enquiries into services and facilities available in Red Rock - response to lead generation activities 	<ul style="list-style-type: none"> - maintenance of web site with all required information easily navigable and available - immediate response to enquiries or, at a maximum, within 24 hours - specific investigations into specific matters of particular interest / concern to the enterprise
Council, Community Groups and Organizations	<ul style="list-style-type: none"> - will refer economic development matters and questions to economic development for analysis and recommendations - expect to be updated periodically on economic development matters 	<ul style="list-style-type: none"> - regular reports to Council on economic development activities and successes - periodic meetings with community groups and organizations to discuss economic development issues - prompt response to any specific questions
General Public and Alumni (existing and former residents of Red Rock)	<ul style="list-style-type: none"> - typically very low and unformed expectations of economic development 	<ul style="list-style-type: none"> - opportunity to educate them as to the importance of economic development and their role in promoting the community

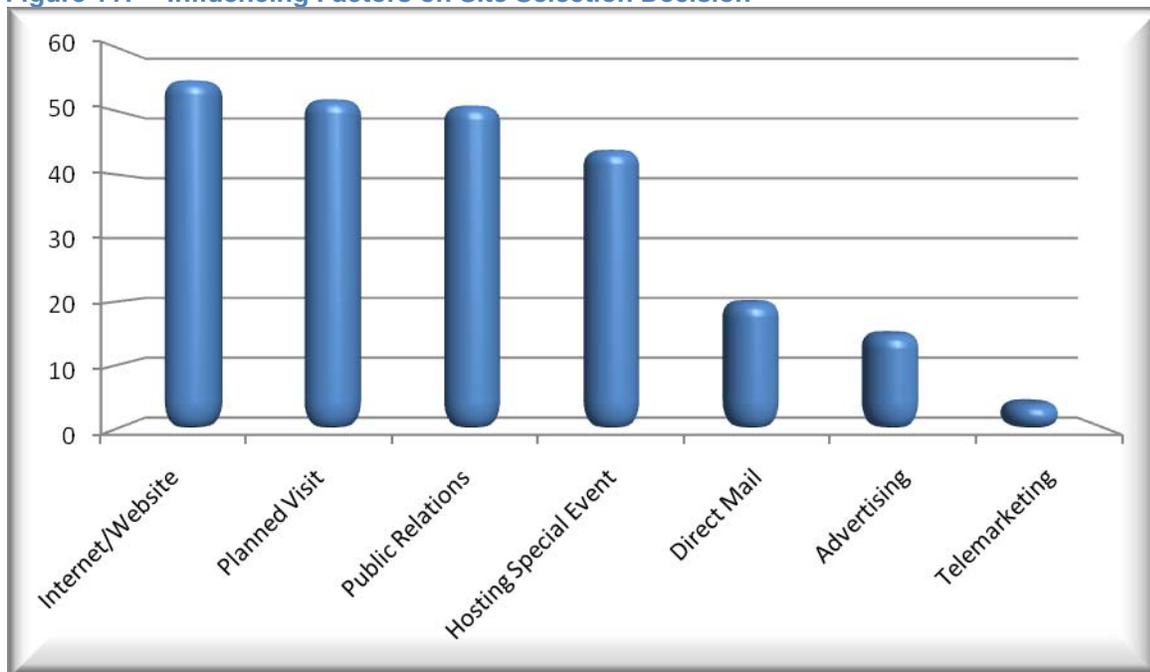
Information and communications technologies are rapidly altering every single aspect of the modern business world. Central concepts in the ICT community (such as Moore’s Law and Gilder’s Law) suggest that not only is change constant, but that it is accelerating exponentially. In 1946, the cost of a three-minute telephone call from New York to London was US\$650, while today the cost of that same call, using VOIP or other telephony technologies, is a few pennies. Tomorrow, it will be even less.

The challenge in establishing sound strategic technology-related actions to spur economic development is not that one cannot find things to do, but rather that one cannot imagine what it may be possible to do in the very near future. Those pursuing economic development and investment attraction opportunities must become futurists, understanding today’s business needs while at the same time anticipating the business needs of tomorrow.

The implementation plans that follow will reference today’s technologies. Having a top quality website and online presence will be presented as the area’s most effective marketing technique. Some are ubiquitous, being used by communities nearly everywhere (e.g. website) while some are closer to the cutting edge of the tools that communities are using (e.g. Web 2.0).

The importance of the web is emphasized in a recent survey by Economic Councilors International who, in mid-2008, surveyed 2,000 corporate executives to find out what influenced them in their most recent investment decision.

Figure 117 – Influencing Factors on Site Selection Decision



Source: Development Councilors International (2008)

Taking focused, proactive and aggressive efforts on these opportunities can lead to more employment, increased tax base and positive indirect impacts such as recreational enjoyment for residents and improvements to properties. Having these competitive advantages in hand, Red Rock needs to employ the more traditional approach to investment attraction. These tactics will be outlined in the implementation stages.

Interaction with the client may begin with a single staff person, but as the project develops it is normal for many different municipal departments and outside organizations to be involved. There needs to be a standard operating procedure and single point of contact, but this person must have the ability and capability of accessing information from many sources. To be consistently successful in attracting new business, the Township and other organizations in the community must be recognized as one team who are working towards the common goal of doing whatever it can to attract desirable investments. The following table shows how technology has accelerated economic development service standards over the last ten years.

4.2.4 Economic Sustainability is More Likely with Effective Retention and Expansion

Business retention and expansion is a method of improving the local business environment by allowing the Department to learn from its own business community:

- What barriers to growth need to be removed?
- What opportunities exist in the broader economy as well as per individual business?

The process involves a survey designed to identify the current economic climate in the area and to solicit input from local businesses. Such initiatives will improve success in investment attraction by establishing a better business environment and creating a broader base of Ambassadors to draw upon for incoming company executives to meet with.

4.2.5 Improving Quality of Place is Increasingly Important

Urban and rural quality is increasingly important in attracting both the educated worker as well as business investment. The quality of the built environment and public spaces, the vibrancy of its commercial districts, the condition of the road network and transportation system, telecommunications infrastructure – all of these are necessary and fundamental to attracting a talented labour force and creating a desirable place to live.

While historically the residents and businesses of the Township of Red Rock have appreciated the area for its superior quality of life, there is an opportunity to move the community to the next level, to make it an even better quality environment for residents and ensure its long term viability and sustainability. This will require more effort at enhancing the Township's downtown and other commercial areas. Improved access to the waterfront is also required. These are key assets to the community both from the perspective of driving new commerce in the Township as well as contributing to quality of place and experience.

4.2.6 Partnerships and Outreach

The Township of Red Rock must make a more concerted effort in pursuing and advocating for strategic and collaborative economic development in the region. This effort is not limited to inter-governmental collaboration, but also includes an array of partners and stakeholders that can have a more direct and immediate impact on the future economic growth of the town. The Township has a history of collaborations and partnerships with community groups and organizations in economic development as well as neighboring communities. In future, these relationships will become increasingly important as the

Township embraces the directions outlined in its community strategy, as well as the attendant plans resulting from this (e.g. this Community Adjustment Plan).

4.2.7 Diversification is the Right Way to Go

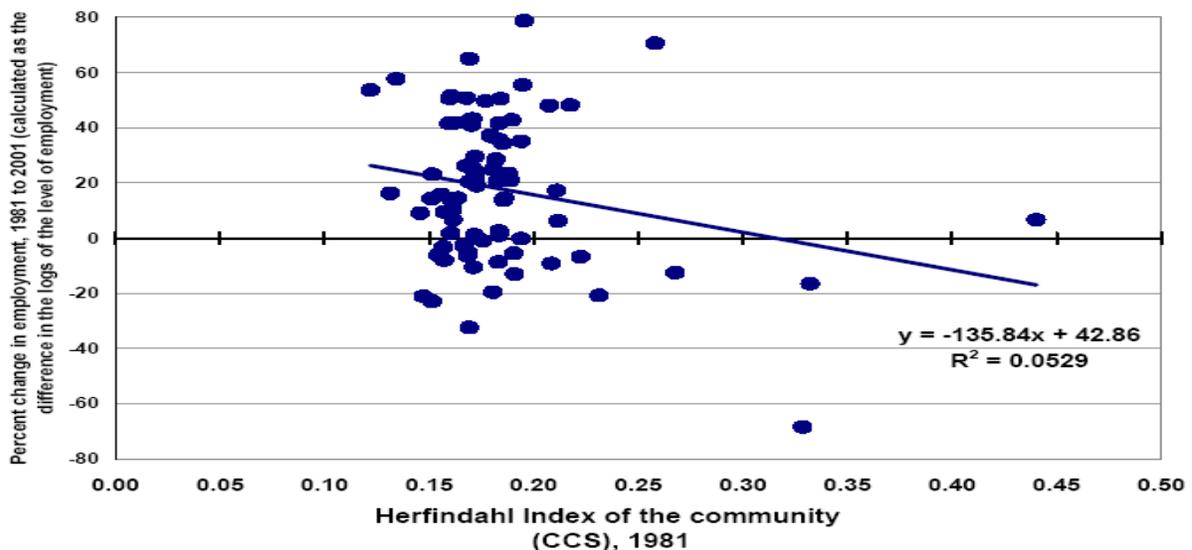
In a 2006 study *Northern Ontario's Communities: Economic Diversification, Specialization and Growth*, Statistics Canada researchers Ray Bollman, Roland Beshiri and Verna Mitura aimed to answer the following question: **If a community's economy diversified, did its employment grow?**

Their answer:

- Between 1981 to 2001 period, amongst the 26 communities that economically diversified, twice as many experienced employment growth than experienced a decline in employment (18 grew and 8 declined). Thus, if a community economically diversified, the odds were approximately two to one that the community's employment would also grow.
- Those communities that became more specialized had much greater swings in economic health. During "the good times" these communities were more likely to experience larger increases in employment, however, during "the bad times" employment changes took the community in exactly the opposite direction.

The following figure plots communities (the dots) on a graph that shows the more specialized a community's economy (a higher Herfindahl Index on the bottom axis), the less likely they were to have employment increases between 1981 and 2001 (as identified on the left axis).

Figure 18 – Correlation between employment growth and diversification



Source: Statistics Canada, Census of population, 1981 to 2001.

4.2.8 Creating Jobs for Residents

A priority for the initiatives contained within this report is to create jobs for local residents. As described, there is a high level of unemployment due to the downturn in the forestry sector and for the overall stabilization of the economy and housing market, it is important to retain as many residents as possible. The most effective way to do that is to create jobs for them.

According to the Labour Adjustment Centre in Nipigon, there is a wide range of skill sets and capabilities amongst the former employees of the two mills. The skills range from people with little to no literacy to those who have a skilled trade ticket.

Although many of the most highly skilled workers have gone to Western Canada to apply their trades, there is anecdotal evidence that they will return when employment prospects brighten in the area.

5 Action Planning for Investment Attraction: Important Concepts

5.1 Understanding the Site Selection Process

Before making recommendations on what promotional/research pieces are missing from the area's inventory, it is critical to first understand the mindset of the prospective investor.

- **Step 1 – Elimination** – Unless it's a very specialized business, the investor and/or its agent has many locations to choose from. As such, they will begin to narrow the choices by looking for reasons not to select a location. There are dozens of reasons to exclude a location, but common reasons include: information not being available or very difficult to find and pre-determined personal perceptions regarding the community. An EDO is rarely involved at this point, but its resources and networks are often being used (e.g. website, other businesses in the community, real estate broker, site selection consultant).
- **Step 2 – Research on Long List** – The investor and/or its agent will then research a long list of locations that appear to meet very basic criteria. Questions to be answered at this point get more specific to the business-type, but often are related to: availability of appropriate property, nearness to customers/suppliers and highways/railways/airports, and quality/specialties of universities and colleges in the area. An EDO is often involved at this point, but its resources and networks are almost always involved (e.g. website, other businesses in the community, real estate broker, site selection consultant).
- **Step 3 – Detailed Research on Short List** – The investor and/or its agent will look to answer detailed questions about the community. An EDO and its network are almost always involved at this point. Questions become very business specific and may include topics such as: capacity of water and waste water systems, zoning by-law specifications, availability of specific labour skill sets, availability of suppliers for specific work (e.g. specialized fabricating), future improvements to the transportation network and property tax rates.
- **Step 4 – Field Work on Short List** – The investor and its agent (note that this may be the first time the investor is introduced and sometimes will require anonymity) will visit the communities that are still meeting the qualifications. The purpose is to verify information that has been gathered, tour development sites and meet government, education and/or business representatives.

Graphically, this process appears as a funnel. Lots of inquiries at the top, some of whom turn into leads and of the leads only a few turn into qualified prospects. Even fewer prospects turn into investments.

5.2 Working with Regional Partners

Investment Attraction is an extremely competitive marketplace. There are an estimated 200 economic development organizations in Ontario^[1], 600 in Canada^[2] and thousands throughout North America, not to mention other parts of the world.

The approach to investment attraction has become increasingly sophisticated. Often with the support of provincial, state and federal levels of government, communities across the continent are gaining a better understanding of what competitive advantages and disadvantages they have, which markets hold their best opportunities and becoming much more prepared to respond to investment inquiries.

As an example, response times for inquiries are down to “while on the phone”. Leaders in attracting investment are establishing online tools that allow them to convey competitive advantages, available properties, relevant labour force data, etc. to a prospect while they are engaged on the first phone call. In many cases, it is no longer adequate to say that a response will be forthcoming in days.

The bar is much higher now than it was even 2 years ago. Although no quantitative data exists to prove this point, there is no question that across North America the level of economic development funding for most regions has increased dramatically and the volume of promotions targeted at key intermediaries and corporate executives is now deafening.

Sophistication has also affected the manner in which locations are organizing themselves. In order to compete on a world stage, even large cities have partnered with neighbours. For example:

- Toronto (Greater Toronto Marketing Alliance)
- Paris France (Paris Regional Economic Development Agency)
- Detroit (Economic Development Coalition of Southeast Michigan)

In Ontario, the Ontario East Economic Development Commission was, for years, the only regional investment attraction initiative. Around since 1988, it has recently been joined by the Greater Toronto Marketing Alliance (GTMA), Southwestern Ontario Marketing Alliance (SOMA), Canada’s Technology Triangle (CTT) (Cambridge, Waterloo, Kitchener and surrounding rural municipalities) and other more ad-hoc initiatives such as Ontario’s Technology Corridor (Ottawa, CTT and GTMA).

Even on a smaller scale, communities have seen the merits of working with their neighbours. For example:

- Quinte Economic Development Commission has the municipalities of Brighton, Belleville and Quinte West all contributing to one investment attraction organization
- The smaller communities around Windsor have partnered with that large city in the Windsor-Essex Economic Development Commission
- Counties such as Northumberland, Bruce, Prescott-Russell, Stormont-Dundas-Glengarry, Lennox & Addington, and Renfrew carry on an economic development function for their lower-tier municipalities

^[1] Based on 227 municipal members of the Economic Developers Council of Ontario of which some representatives are from the same municipality, but also recognizing there are many agencies that are not members.

^[2] An estimate based on the Economic Developers Association of Canada membership of ~400 municipal members with significant holes in representation in both Ontario and Quebec.

The true test of whether or not these initiatives have been successful is how the partnership carries on. In all cases except the GTMA which has had significant difficulty keeping its partnership together all are functioning as tight and aggressive alliances.

The competitive landscape has changed. If Red Rock is going to have its message heard in the future, its marketing and communications strategy is going to have to boldly move ahead in the form of a partnership and get very aggressive.

An immediate partnership opportunity is with the Township of Nipigon. The two communities share so many similarities in the type of investment that is desired. Red Rock has the advantage of having a vacant industrial property where, if ever in the next decade a large industrial employer is going to come to the region, it is here. Nipigon offers a more diverse retail/commercial base. Both have tremendous appeal to Lone Eagles, tourists and active retirees. There is so much to be gained by working together and the Marketing Action Plan recognizes this notion.

5.3 Investment Attraction: An Exercise in Marketing and Personal Sales

Marketing based on a service model is very closely aligned with that done in community economic development. Service models have the following characteristics:

- intangible product
- high degree of customization to meet the individual needs of the user
- close contact between the customer and the service provider
- selection, training and mentoring of personnel are critical to success
- capacity constrained by labour and resources
- repeat business is more important to financial success than winning new customers.

A.T. Kearney, an international management consulting firm, identifies two service environments: *operations processes* and *moment of truth*. Service intensive organizations operate in a “moment of truth” environment. Operations processes produce the same tangible output, time after time, like a factory. In moment of truth encounters, quality is evaluated subjectively on the strength of the response. Proven performance over time is not always considered.

Moment of Truth Performance

Moment of truth performance is critical in economic development. A company’s final site selection decision is not always made on the basis of numbers alone. The dominant decision factor can be attitude and results. A winning community provides the necessary information, but also demonstrates a willingness and ability to overcome less than desirable circumstances.

For an organization to be successful in community economic development it must be competitive on site selection factors (the product) **AND** organizational performance (the people). One can lose as quickly from poor organizational performance as from an uncompetitive product. In a process of elimination, like site selection, there is little time to gather and organize when engaged in the process with a prospect.

A winning community provides the necessary information, but also demonstrates a willingness and ability to overcome less than desirable circumstances.

Taking the following description one step further, investment attraction is not just an exercise in marketing, but also one of sales. Here is how the steps breakdown:

Marketing

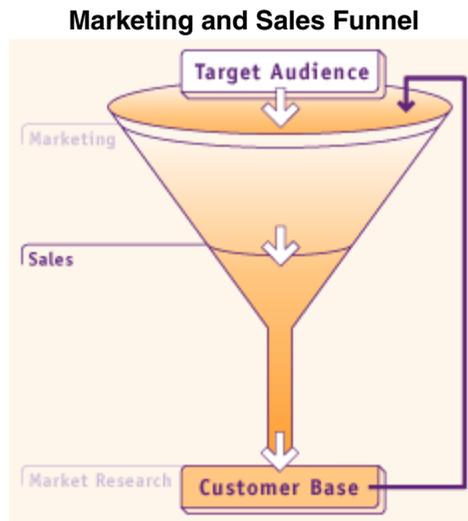
1. **Asset Assessment** – Determining what you want to sell and understanding the strengths and weaknesses of the product and service.
2. **Target Market Selection** – Identify the target market who is most likely to be attracted to your strengths and not deterred by your weaknesses.
3. **Promotional Campaign** – Develop and implement a promotional campaign that utilizes the media that will most effectively reach out to your target market.

Sales

1. **Prospecting** – Develop a list of prospects that identifies potential clients who fit the profile and are able, willing and authorized to make a location decision.
2. **Pre-Approach** – Analyze all the information available to understand as much about the prospect as possible (e.g. current needs, who are key decision makers, review business history).
3. **Approach** – The point of the selling process where the sales professional meets the prospect provides an introduction, establishes rapport that sets the foundation of the relationship, and asks open-ended questions to learn more about the prospect and his or her needs. Seek first to understand and then be understood – not vice versa.
4. **Making the Presentation** – Tell the "story" in a way that speaks directly to the identified needs and wants of the prospect as determined in the step above. A highly customized delivery of information is the key component of this step.
5. **Overcoming Objections** – Seek out prospect objections in order to try to address and overcome them. When prospects offer objections, it often signals that they need and want to hear more in order to make a fully-informed decision. If objections are not uncovered and identified, then sales professionals cannot effectively manage them. Investment attraction is typically a long sales cycle and there will be many interactions with the prospect over the course of months and perhaps years.
6. **Closing the Sale** – In investment attraction the sale is closed once the business has opened its doors. Even if the Township of Red Rock is not closing the sale (may be done by a private property owner who sells or leases the building/land) it should not stop being involved through this point. Situations can go sour quickly and the development offices need to stay on top of the situation so it can offer alternative solutions to keep the prospect within the region.

Just like the site selection process of elimination outlined above, the process takes on the appearance of a funnel.

Figure 19 – Marketing and Sales Funnel



5.4 Investment Attraction: Human Resources are the Key to Success

The entire process of investment attraction is a complex one and the marketing and selling processes all pose challenges to Red Rock. The most critical point is that there are enough positive features of the community, but these are also available in many other communities – ultimately, the investments will be won based on the abilities of the people involved. Red Rock may be able to attract new businesses without spending a lot of money on marketing, but it will not succeed to the extent desired without spending money on sales.

Sales can be done without Marketing, but there is no point in doing Marketing without Sales.

5.5 Dealing with Limited Resources

The community development office operates on a relatively small budget. The organization has been effective at obtaining funding from senior levels of government to leverage the funds provided by the municipality. It has also been involved in external organizations such as the Northern Ontario Bio Economy Corporation and North of Superior Tourism Association which allows it to spread its human resources and financial budgets.

The marketing plans that will be developed in Section 8 of this project will use a longer-term (3 year) time frame with achievable short-term goals to encourage the prospect of an ongoing commitment. With limited dollars and people to carry out the mandate it is very important to remain focused.

Consultant Virginia Daffron² provides this point advice for small firms that have limited financial and human resources and it has relevance to Red Rock’s intentions to undertake more aggressive recruitment initiatives:

***What you don’t do is as important as what you do.
 Many firms engage in activities that they feel are obligatory or can’t hurt, such as creating ads used only once, participating in ‘feel good’ committees or responding to long-shot RFP proposals, even though the effectiveness seems questionable. For every marketing activity your firm undertakes, there’s another activity you can’t do. When your capacity is smaller, the importance of focusing that capacity in a productive direction becomes even more critical.***

5.6 Gold Standard of Services Delivery

The service delivery recommendations that are provided in the Marketing Action Plans are analysed against a benchmark of “The Gold Standard”. The following table illustrates how service delivery has changed over the last decade.

Evolution of Economic Development Services Delivery

Year	The Gold Standard Response	The Gold Standard of Economic Development Service Delivery
1996-2000	48 hours	At the end of the call with the investment prospect the EDO says: “To help you better understand our community and the opportunities we have for you, I will put together a package that contains our Community Profile, Available Properties Guide and Brochure. I will use Post-It Notes to highlight the pages that will be of most interest so you can quickly find the relevant information. I will courier that out to you tomorrow and you should have it in 48 hours.”
2001-2005	Same day	At the end of the call with the investment prospect the EDO says “To help you better understand our community and the opportunities we have for you, I will send you an email before the end of the day that has several attachments including key excerpts from our Community Profile and hyperlinks to online listings of property that closely meets your criteria.”
2006-present	While on the phone	<u>During</u> the call with the investment prospect, the EDO says “Do you have access to the Internet right now?” [YES] “Great, why don’t we go online and I’ll take you through our website so that you can download the relevant files. We’ll also go through our available properties directory and look at maps, photos and details of available properties which meet the criteria you’ve described to me.”

² Source: www.RainToday.com.

One element that none of the investment readiness tests really address is the degree of speed at which site selection processes move – especially at the front end, when an investment inquiry is made. Despite the fact that relocations and expansions of businesses normally take a minimum of three months and sometimes several years, a community’s inability to respond quickly to the initial questions can leave it out of the running. Similarly, as the process moves along and the information that prospective investors require becomes more complex and detailed the inability for a community to respond quickly and accurately will result in a lost client.

Economic development is a service business and investment prospects require a high-degree of attention. To effectively determine the prospect’s needs and identify possible solutions takes strong selling skills and a broad knowledge of the local and regional business community and economy, the business sectors that are being targeted and building/land development.

This is even more understandable when one looks at how the “Gold Standard” of acceptable service has changed over the last ten years.

Overnight responses are no longer good enough. Red Rock must become more sophisticated in gathering/organizing community data and responding immediately to specific questions.

Whether it is for a 50 or 5 employee business, investment attraction is a competitive environment and communities that can go above and beyond the norm of customer service will have a much better chance of securing investment. With stiff competition throughout Ontario, it is particularly important for the communities to “bend over backwards” for prospective investors.

This approach to customer service will have an important spin-off for retention and service to businesses that are already in the community. A community that finds itself providing excellent service to prospective businesses will find that its relationship with the existing business community will improve too.

5.7 Place Branding

Communities and companies have been using the term ‘brand’ since the 1920’s and the term is now widely recognized as the process used to elevate a product to a position of memorable prominence. In short, a brand is a name, term, design, symbol or any other feature that identifies a seller’s good or service as distinct from those of other sellers.

In recent years marketing professionals have practiced ‘Place Branding’ as a means of elevating their product. The Journal of Place Branding and Public Diplomacy describes branding as “the practice of applying brand strategy and other marketing techniques and disciplines to the economic, social, political and cultural development of cities, regions and countries”. In practice it is a process of identifying symbols and images that represent a set of central and distinctive characteristics thereby creating a focus of identity. Place branding has its challenges apart from product branding:

1. Products are amendable to modification in ways that places are not. While products can be modified according to consumer demands, communities cannot be so readily changed.
2. The identity of brand development is open to interpretation and may differ with the perceptions of various stakeholders with differing opinions and interests.

To realize the potential effectiveness of place branding, the following are examples of a successful process:

1. Prince Edward County – “A Beautiful Island Adventure” references that it is a place that is intriguing and enjoyable with much to see and do.
2. Elora, Ontario – “A World Away” creates an intriguing invitation to visit a place which is very unique
3. North Bay – “It’s All Here” is a bold statement of confidence and delivery
4. Frankenmuth, Michigan – “Michigan’s Little Bavaria” conjures up ideas of international cuisine, entertainment and customs

A strong brand is absolutely critical to successful economic development, and to be successful it must be rooted in what is great and unique about a location. On Three Communication Design Inc. has developed five guiding principles for successful brand development.

1. **Be different from your competitors** – be aware of your competition and build your brand message around your competitive advantage
2. **Tell the truth** – a sustainable economic development and communications strategy requires the reality lives up to the perception. If you make a claim and cannot deliver, you damage your location’s reputation for the long term.
3. **Get stakeholders excited about what really matters** – when community leaders present a unified message, it is a clear indicator to site selectors and investors that this is a place that has its act together and will be easy to work with. Successful branding initiatives must have the support and buy-in of the city’s leadership and spokespeople to succeed in the long term.
4. **Appoint ambassadors** – many communities are creating ambassador programs as a component of their branding initiatives and recruit ‘champions’ to deliver a trusted message
5. **The launch is a beginning, not an end** – the development of a brand is just the beginning of the process and the true power of the brand lies in how it is delivered, monitored and revised.

The International Economic Development Council’s *Economic Development Journal* has five further recommendations to consider when developing place branding:

1. **Be different** – if you are going to succeed in branding a community, you need to stand out from the competition
2. **A logo is not a strategy** – an effective branding campaign is much more than a logo. It is about discovering your community’s value proposition, or brand promise, identifying your target audience and determining the best and most creative tactics for delivering that message to your target audience, and implementing the campaign.
3. **Influence your audience** – what others say about you, not what you say about yourself, will build your brand. Use the media to achieve the desired results.
4. **Find the right balance between the external and internal customer** – it is critical that your key stakeholders understand and support the campaign. Word of mouth (through an Ambassador Program) can be extremely effective and successful.
5. **The case against a single brand** – your target market is varied and therefore so should be your messages. Essentially you need to change your message to fit the needs of your target audience but the look and feel of the materials should be uniform.

Place branding is a platform to communicate and reinforce your community’s economic development strategy, and must be defined by the priorities for development and by what makes your community

different. Whether you pay attention to branding or not, your audience still has a perception about your community. This Marketing Strategy takes steps to influence these perceptions and use them to strengthen the chances of success.

6 Assessment of Key Criteria for Site Selection

With these definitions now in place we identify a more refined set of weighted matrices of site location criteria – one for each of the three sectors. The weighted matrix identifies all site selection criteria and gives more points for important criteria.

Figure 20 – Weighted matrices of site location criteria

INVESTMENT FACTORS	Wood Product Manufacturing		Furniture & Related Product Manufacturing		Professional, Scientific & Technical Services		Advanced Manufacturing		Retirement	
	Category Weight %	Location Factor Importance	Category Weight %	Location Factor Importance	Category Weight %	Location Factor Importance	Category Weight %	Location Factor Importance	Category Weight %	Location Factor Importance
Labour Force Characteristics										
Population (Current Counts, Future Projections)	15	M	15	M	12	H	15	M	8	M
Age Profile		M		M		H		M		L
Commuting Patterns		L		L		H		M		L
Income (Average Income, Household Income)		H		H		H		H		L
Ethnicity Profile		H		H		L		L		M
Size of total labor force / Participation rate		H		H		H		H		L
Unemployment Rate / Employment Rate		H		H		M		H		L
Availability of Skilled Workers		M		M		H		H		L
Cost of Skilled Workers		M		M		H		H		L
Availability of Unskilled Workers		H		H		L		L		L
Cost of Unskilled Workers		H		H		L		L		L
Competition for Required Skill Sets		M		M		H		H		L
Level of Education		L		L		H		H		M
Turnover / Absenteeism		M		M		M		H		L
Presence of Union (labor management relations)		H		H		L		H		L
Language Skills		M		M		H		L		M
Workers compensation and employment insurance		M		M		L		H		L
Local Industry										
Largest Employers (type of company and employee counts)	8	M	8	M	7	M	8	H	6	M
Other local employers (type of company and employee counts)		M		M		M		H		M
Locally Targeted Industries		M		M		M		H		M
Recent projects / Companies new to the area		M		M		H		H		L
Same Industry Cluster		M		M		H		H		L
Presence of Supplier/Support Businesses		H		H		M		H		M
Existing Research Base		L		L		H		H		L
Presence of military base and installations		L		L		L		L		L
Transportation / Distribution										
Proximity to Current and Future Customer Markets	15	H	15	H	9	L	12	H	8	L
Proximity to Suppliers/Raw Materials		H		H		L		H		L
Proximity to Highways		H		H		H		H		H
Proximity to Airports		L		L		M		H		H
Proximity to Railways / Intermodal Facilities		H		H		L		H		L
Proximity to Port Facilities		L		L		L		H		L
3rd Party Trucking Availability		H		H		L		H		L
3rd Party Warehousing Availability		H		H		L		H		L
Taxes										
Local Property Rates	8	M	8	M	8	H	8	M	8	M
Provincial Tax Rates		M		M		H		M		L
Federal Tax Rates / Corporate Tax Rate		M		M		H		M		L
Utilities										
Electricity (Capacity, Availability, Rate, Reliability)	12	H	12	H	4	H	12	H	15	H
Natural Gas (Capacity, Availability, Rate)		L		L		L		L		L
Water (Capacity, Availability, Rate, Connection Fees, Quality)		H		H		L		M		H
Water Quality		M		M		L		M		H
Sewer (Capacity, Availability, Rate, Connection Fees)		H		H		L		M		H
Waste Management / Hazardous Waste Carriers & Facilities		L		L		L		M		H
Telecommunications (High Speed Internet, Cell Phone carriers)		L		L		H		H		H
Local Business Environment										
ED involvement in local business community ("Business Friendliness")	8	H	8	H	9	H	8	M	8	L
Environmental Policies		H		H		L		M		M
Costs for Permitting, Construction, Occupancy		H		H		M		H		L
Time Required to Process Zoning Permit, Site Plan, Building Permits		H		H		M		H		L
Recent Level of Development Activity		M		M		M		M		L

Property Availability and Cost										
Industrial Building Availability		H		H		L		H		L
Serviced Industrial Land Availability (shovel ready sites)	12	H	12	H	7	L	10	H	3	L
Commercial (Office) Building Availability		L		L		H		L		L
Commercial (Office) Land Availability		L		L		H		L		L
Cost of Land / Lease Rates		H		H		H		H		L
Incentives / Business Support Programs										
Business Financing (Long term financing, etc.)		M		M		M		H		L
Provincial and Local Incentive Programs (tax exemptions, grants, etc)	10	H	10	H	10	H	10	H	4	L
Provincial and Local Business Development Programs		M		M		H		H		L
International Resources / Government Services		L		L		H		H		M
Local Chambers of Commerce		M		M		H		M		L
Education & Training										
Elementary School Performance Rankings		L		L		H		M		L
Secondary School Performance Rankings		L		L		H		M		L
Community Colleges - Availability and Quality of Programs	8	M	8	M	14	H	12	H	15	M
Universities - Availability and Applicable Programs		L		L		H		H		M
Technical/Vocational Colleges - Availability and Quality of Programs		M		M		M		H		M
Local Employment and Training Services		H		H		H		H		L
Quality of Life										
Health Care Facilities		L		L		H		M		H
Emergency Services (Police, Fire, EMS)		L		L		H		H		H
Crime Rate	4	L	4	L	20	H	5	M	25	H
Recreation and Cultural Facilities		L		L		H		L		H
Climate		L		L		M		M		H
Housing Availability and Cost		M		M		H		H		H
Perception of Attractiveness to Employees Outside of Area		L		L		M		L		L
	100		100		100		100		100	

High Importance = H
 Medium Importance = M
 Low Importance = L

6.1 Red Rock's Target Sectors

The selection of sector targets is rooted in the philosophy that **initiatives must ultimately increase the total wealth within a community**. There are two main ways to do this:

1. **Export Development** – any initiative that brings new money into the community:
 - a. Starting or attracting a new business that sells products outside the community
 - b. Attracting visitors who then buy local products and services
 - c. Encouraging existing businesses to sell their products and services outside of the community.

2. **Import Substitution** – any initiative that keeps money in the community:
 - a. Encourage people and businesses to buy their goods and services locally rather than importing them from another community
 - b. Starting or attracting new businesses that recognize the leakage and provide a product or service to stop it.

Activities in the above two categories are economic drivers – they bring in the wealth. Other activities are redistributors – they circulate the money within a community. Strong economies bring in new money and then keep it in the community as it moves from business to business.

This concept is profiled in the following figure:

Figure 21 – Economic Drivers and Redistributors for the Township of Red Rock



The highest priority initiatives are those that directly increase wealth (e.g. the retention or attraction of an economic driving export-oriented business).

The following target sectors are recommended as top priorities:

- Lone Eagles and small business development
- Re-use of former mill property for manufacturing/industrial uses
- Tourism

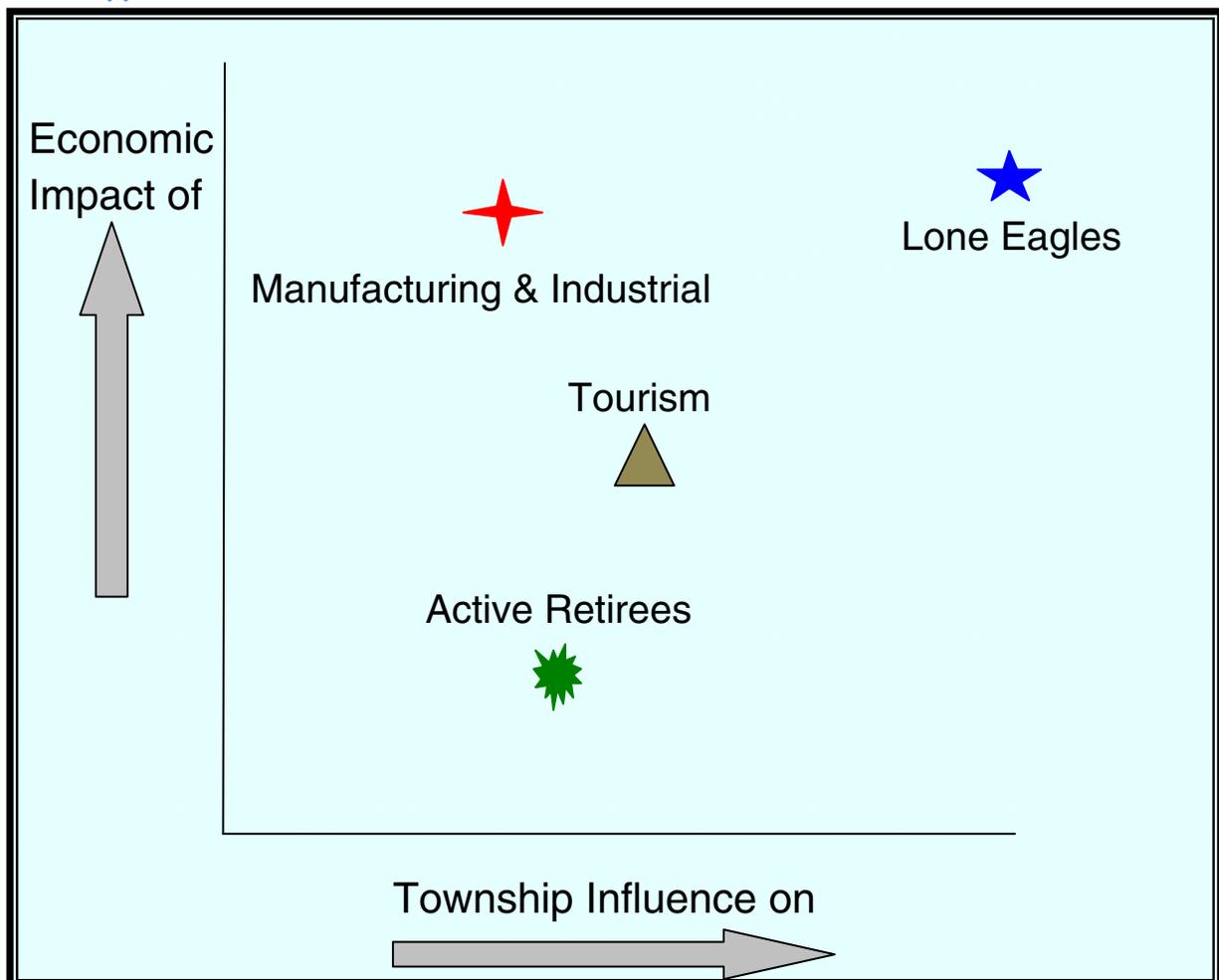
The following sector is also important and requires attention and, to some degree, have overlap with the above:

- Active retirees

Eco-based initiatives

All targets should include eco-based networking initiatives. All four sectors should employ eco and environmentally responsible applications. By incorporating eco-based initiatives, Red Rock will improve the service delivery of each of the sectors, increase its competitive advantages, and ultimately be a leader in ‘green’ initiatives attracting businesses from this sector as well. More eco-strategies will be detailed in the Marketing Plans. While not listed as a target sector, eco-based networking is very important to enhance the reputation of the Township and to attract eco-based businesses and initiatives.

Figure 22 – “Economic Impact of” and “Township Influence on” Likely Investment and Job Creation Opportunities for Red Rock



6.2 Very Strong Economic Development Opportunity: Lone Eagles

Freelance professionals, also known as ‘Lone Eagles’, are knowledge workers with highly transportable skills, such as writers, analysts, artists, accountants, trades people, sales professionals, manufacturers’ representatives and other advisors. Most live in large cities but many are moving to small towns and rural areas for better quality of life. More and more rural areas that are near metropolitan cities are considering this approach. For instance, in southern Ontario Prince Edward County is centering their entire economic development campaign on this class of individual as well as agri-food producers and tourism operators (see www.buildanewlife.ca).

Lone Eagles’ infrastructure requirements are few, which means limited investment by the Township. However, the following are essential: efficient telecommunications (mobile phone coverage, broadband access), reliable courier service and reasonable access to an airport with commuter flights.

By definition a Lone Eagle is someone who:

- Generates 75% or more of their income from outside the local area
- Earns between an average of \$58,000 per year
- Mobile and can live where they want
- What they are fleeing:
 - Urban environment
 - Rapid development
 - Environmental degradation
- What they want to find:
 - Quality of natural environment
 - High quality telecommunications services
 - A place closer to relatives (sometimes means returning “home”)
 - Outdoor recreational activities
 - A safer place to live
 - Possible employment for the spouse if desired

The Township of Red Rock can provide most of these essential infrastructure requirements. They are necessary, but not sufficient, for the area to become a magnet for Lone Eagle workers.

Many fledgling entrepreneurs and “lone eagle” professionals would prefer to begin business ventures in their homes where they have fewer expenses and less risk. In response, many communities allow restricted home occupations as permitted uses in many residential zoning districts. When Lone Eagles are successful they expand their operations by leasing office space and hire staff or contract out work to other Lone Eagles (e.g. sub-consulting, bookkeeping, etc.).

The benefits to the community of a strong Lone Eagle presence are many.

1. Their dependence on local infrastructure is minimal.
2. The business operators may become the key skilled labour that is required for larger investors to feel confident in Red Rock.
3. They provide services and supplies to larger businesses.
4. They provide a needed level of diversification which keeps it stable in tough economic times
5. They are the same businesses that will grow quietly or quickly into 5, 10 or 50-person operations.

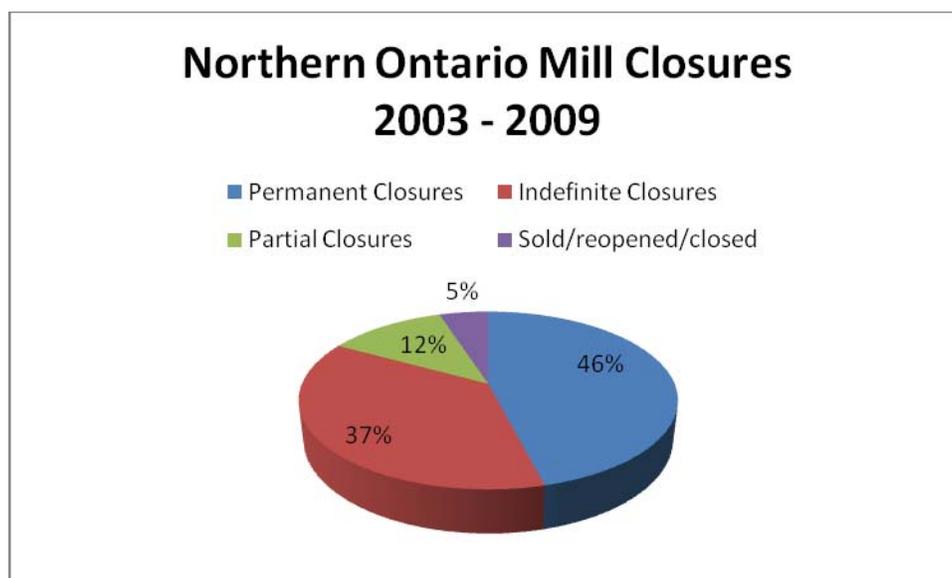
6. Spouses and/or children of these small business operators offer a ready supply of local employees.
7. People are much more likely shop in the community they work in increasing economic spin-off.
8. People are much more likely to genuinely feel a sense of community if they live and work in the same place. This contributes greatly to the social side of the community by way of increased volunteerism, participation in local debates and financial donations to local non-profits/charities.
9. The types of recreational amenities, community improvements and physical environment they pursue are generally consistent with the desires of tourists or visitors from neighbouring communities. This means that an investment in attracting Lone Eagles will also attract visitors/tourists.
10. Business leaders have a way of attracting other business leaders. These Lone Eagles will be Red Rock’s ambassadors for new investment in the area.

6.3 Moderate Economic Development Opportunity: Manufacturing

Modern day manufacturing involves new techniques and machines, combined with information technology, microelectronics and new organizational practices. It is a key enabler to help manufacturers meet the productivity, quality and cost reduction demands of competitive global markets. Technology focus areas may include nanotechnology, innovative manufacturing (tools, processes, digital manufacturing), robotics, value-added forestry products, food processing technologies and advancements for transportation (including alternative fuel sources, hybrid technology and material sciences).

- A strength of Red Rock and a competitive advantage as we compare to other communities east of Thunder Bay, is the availability of the former Norampac paper mill property. The Ontario Ministry of Natural Resources has tracked the status of **76 mills** in Northern Ontario that have been in some state of closure since 2003. The table below shows the status of these mills in 2009.

Figure 23 – Northern Ontario Mill Closures



The majority of these mills (70%) closed between 2005 and 2007. With all this excess capacity in the system it is critical that Red Rock position itself as having a unique property with a strong competitive advantage in order to differentiate itself. In keeping environmental and eco-friendly practices in the forefront of all investment attraction practices, Red Rock should look at the possibility of the sharing of utilities to the Township through the generation of steam energy via a cogeneration facility. This would accomplish three goals:

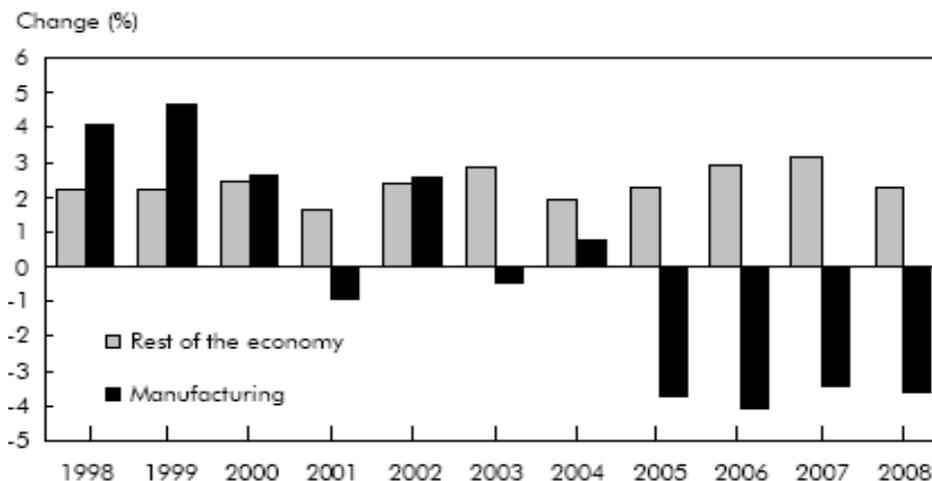
- the mill property would have a distinct advantage with providing its future tenant(s) with cost effective energy
- other businesses in the community would also realize the cost savings of steam heating provided by the mill
- Red Rock would advance its reputation as a community dedicated to innovative eco practices and low business operating costs

The above needs require the Township to work closely with the existing mill owner. Two key barriers need to be resolved: completion of a power purchase agreement with Ontario Power Generation and securing a source of fibre to operate the co-gen (wood pellet technology is proving itself to be a viable alternative to fossil fuels as has been seen through pilot projects at the Atikokan Power Generating Station). It must be said that the future users of the Red Rock mill will probably not look like they did in the past. First, given the state of the industry in Canada, it is highly unlikely that a large manufacturer will show interest. It is more likely that the Township and the mill owner will be entertaining interests from smaller companies that have identified new growth opportunities or are just starting up.

The Marketing Plan does not make a recommendation specific to this sector to be immediately proactive about investment attraction. Manufacturing can be attracted through the Township's Lone Eagle strategy which is aimed entirely at small business operators. Employment growth in this sector will be by 1s and 10s of employees in the near term, not by 100s of jobs.

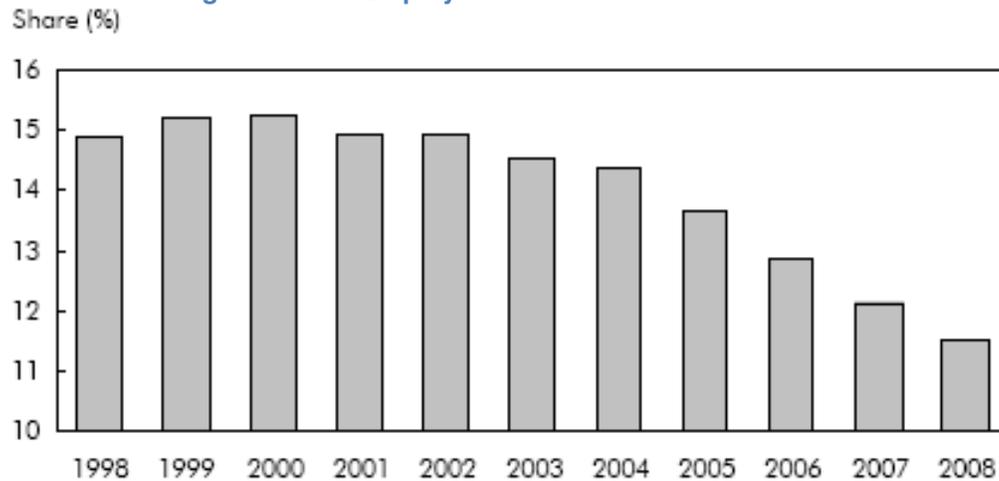
Manufacturing has really struggled in Ontario and Canada over the last decade and the next year does not look very promising for new investment. As such, in the short-term, retention and expansion of existing operations and pushing to secure a future competitive advantage in co-generation should play a more significant role over attraction of new investment, including the attraction of smaller innovative manufacturing companies to the former mill property. Consider the following figures published in February, 2009 by Statistics Canada.

Figure 24 – Change (%) in Employment, Manufacturing vs. Rest of the Economy, 1998-2008



Source: Statistics Canada, Labour Force Survey.

Figure 25 – Manufacturing’s Share of Employment Since 1998



Source: Statistics Canada, Labour Force Survey.

While no province has been completely immune from manufacturing’s downward cycle over the last decade, Ontario has seen the highest percentage loss of manufacturing employment over the last five years (-18.1%).

Figure 26 – Changes in Manufacturing and Other Employment, 1998-2008

	Change 1998 to 2004		Change 2004 to 2008		Manufacturing jobs in 2008	
	number	%	number	%	number	% of total employ- ment
Manufacturing	198,600	9.5	-321,800	-14.0	1,970,300	11.5
Newfoundland and Labrador	1,400	8.9	-3,100	-18.0	14,100	6.4
Prince Edward Island	800	14.8	-100	-1.6	6,100	8.7
Nova Scotia	2,600	6.3	-4,500	-10.3	39,100	8.6
New Brunswick	5,300	14.5	-6,700	-16.0	35,200	9.6
Quebec	30,200	5.0	-86,700	-13.8	543,600	14.0
Ontario	119,200	12.2	-198,600	-18.1	901,200	13.5
Manitoba	6,000	9.5	-200	-0.3	68,700	11.3
Saskatchewan	-400	-1.4	2,100	7.3	30,900	6.0
Alberta	18,400	14.6	-300	-0.2	144,100	7.2
British Columbia	15,300	7.8	-23,800	-11.3	187,400	8.1
Rest of the economy	1,702,100	14.2	1,500,700	11.0	15,155,600	88.5
Newfoundland and Labrador	20,500	11.6	9,100	4.6	206,200	93.6
Prince Edward Island	6,500	12.0	3,500	5.8	64,200	91.3
Nova Scotia	44,300	12.5	15,500	3.9	414,100	91.4
New Brunswick	29,500	10.6	22,800	7.4	331,000	90.4
Quebec	392,800	14.8	287,900	9.4	3,338,100	86.0
Ontario	744,000	16.6	569,400	10.9	5,786,100	86.5
Manitoba	36,400	7.7	30,300	6.0	538,000	88.7
Saskatchewan	9,600	2.2	30,900	6.9	481,800	94.0
Alberta	229,200	16.6	256,100	15.9	1,869,200	92.8
British Columbia	189,000	11.4	275,400	14.9	2,126,900	91.9

Source: Statistics Canada, Labour Force Survey.

Manufacturing practices and processes have come under increased pressure from global competition. Demands for improved customer service, breadth of product line, improved quality, quick response and a much shortened time-to-market for new product introduction cannot be ignored by firms. In the face of these intense pressures, Canadian and other manufacturers around the world are moving away from mass production manufacturing processes. They are turning to greater flexibility and speed in manufacturing practices. These practices have become the foundation for "Best in Class" manufacturers and processors.

Complementary to the hardware technologies of advanced manufacturers is a wide range of "soft" manufacturing process technologies. Just-in-time (JIT) manufacturing, total quality management (TQM) and supply chain management are but a few of the many techniques adopted by manufacturers and processors globally. The manufacturing sector has had to adjust to a rising Canadian dollar, losses in U.S. market share and falling productivity rates. Customers increasingly want more value, better service and support, and lower costs. Threats from foreign competitors are driving many manufacturers to invest in new technologies, implement best practices and become more productive.

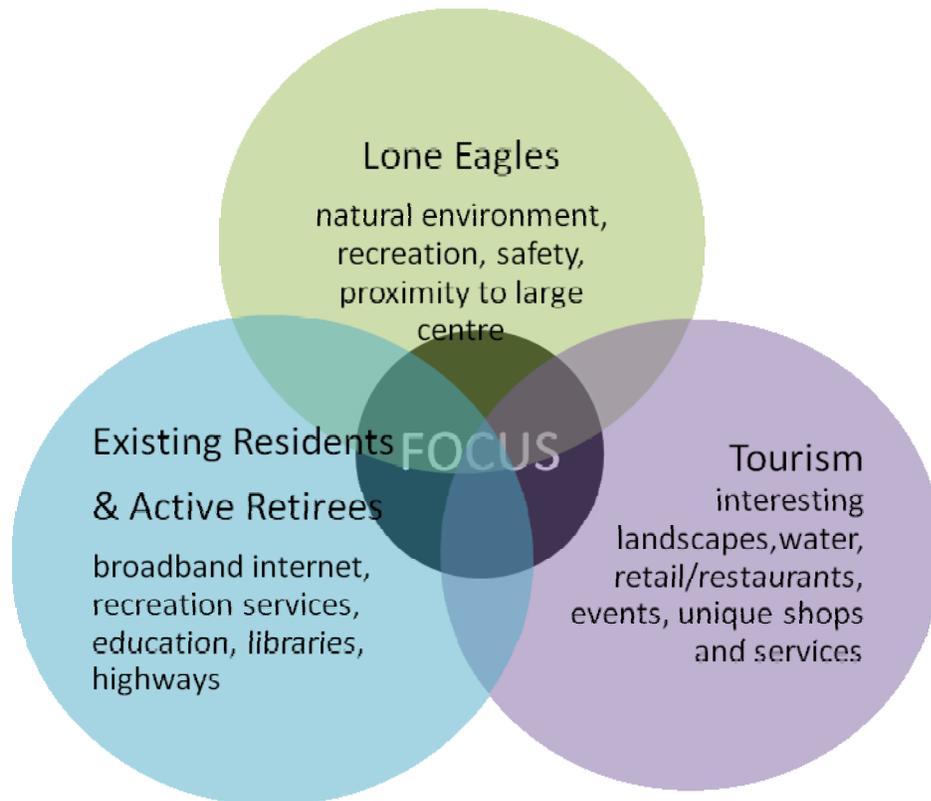
6.4 Moderate Economic Development Opportunity: Tourism

Tourism is positioned as a moderate priority opportunity because the direct and indirect economic spinoffs to the Township and its residents are more long term, but with some short-term opportunities. Red Rock has a stunning natural feature in Lake Superior. With continued marina development, Red Rock's access to Lake Superior could well position itself as a haven for recreational boaters, for those looking for family water based activities, for young people seeking adventure as well as the active retiree leisure market. With two accommodations facilities in Red Rock (in addition to more in close proximity) combined with the development of park areas and quality marina facilities, Red Rock is in an enviable position to develop an excellent product development strategy. The establishment of the National Marine Conservation Area is an incredible opportunity that gives instant credibility to the entire region.

Regionally, there are interesting tourism product offerings that are not necessarily just summer-driven. Hunting and fishing seasons are during the traditional shoulder months (Spring and Fall), ice climbing at Ouimet and other areas is world-class and snowmobile trails criss-cross the region.

With this being stated, there are recommendations around paying attention to what visitors will want, but through a broader effort that also focuses on the needs of Lone Eagles. As is shown in the following diagram, the needs of Lone Eagles, Existing Residents and Tourists are very similar.

Figure 27 – Convergence of Needs for Lone Eagles, Tourists and Existing Residents



Product Development

Looking in the individual circles and identifying the qualities all of these groups look for provides the Township with a focus. For instance, natural environment/parks/landscapes are enjoyed by all so encouraging local special interest groups to ensure good quality experiences is a step in the right direction as are partnerships with the regional snowmobile, hiking or mountain biking clubs (for example) to develop new and enhance existing trail systems in the area.

Over time, the establishment of new and growth of existing facilities will encourage people to open up more accommodations, restaurants and retail stores to capitalize on the traffic. The latter investments will not come without the former.

The recommendation for Red Rock when it comes to allocating resources is to spend more time and money on being proactive – the economic returns could be substantial.

Promotions

The key market for Red Rock's tourism operators is the Thunder Bay region as well as the Northern/Western American sport fishing/boating markets. The Township's partnership in regional tourism groups is an effective and efficient way to network and develop lucrative relationships. The Township should also encourage its local operators to develop plans jointly and develop their own partnerships.

Media Relations Activity

Media relations can be a very cost-effective means of promotion. Within the Township's broader efforts to promote the Lone Eagles sector, there should be a deliberate attempt to include tourism operations.

6.5 Moderate Economic Opportunity: Active retirees

Active adult living is a recent innovation in retirement options, created by and for the baby boom generation. According to a 2005 Decima Research survey, over 50% of respondents aged 50-59 intend to buy a new retirement home.

Members of the influential baby boom generation are just now coming into the pre-retirement years. Most of them are expecting to enjoy a much more active lifestyle than their parents have. Consider the key differences between today's retirees and pre-retirees, as found in a national poll by Decima Research:

- More than half of those aged 45 to 54 expect to work at least some of the time when retired. Just 22% of today's retirees do so.
- Boomers are twice as keen as today's retirees on heading south for an extended stay during the winter months - 56% versus 27%.
- About 28% of boomers expressed interest in buying a vacation property, motor home, or boat. Only 15% of current Canadian retirees have done that, or plan to do so in the future.
- Just over 80% of boomers expect to be physically active. That was well above the 64% response rate for today's retirees.

Red Rock is the ideal community to promote as a home for today's active retirees. The area has many of the amenities that the active retiree is looking for:

- Reasonable, affordable housing
- Access to transportation – road and air
- Medical services in close proximity
- Safe community
- Friendly environment – sense of community
- Clean environment
- Scenic area
- Recreational opportunities
- Organized social events
- Opportunity to volunteer and get involved in the community

While under somewhat different circumstances, the town of Elliot Lake, Ontario is a community who re-branded itself after the closure of its uranium mining operation in the late 80s. Due to a surplus of housing and the amenities described above, Elliot Lake began to attract retirees and is now the self-proclaimed "Jewel in the Wilderness". With considerable government and local support the community developed a marketing strategy which promoted itself as the perfect place to enjoy retirement and has now gained a reputation as the most affordable retirement community in the country. While this was a highly refined and expensive marketing strategy which led to the re-positioning of Elliot Lake, the principles still apply to Red Rock.

In the key stakeholder interviews that were a part of the strategic planning process, the suggestion of supporting a plan to encourage people to retire in Red Rock was often made. The Township is a place that welcomes new comers and makes every effort to involve them in the community life of Red Rock. Combine this with available housing, superior scenery and recreational choices and you have a quality of life that makes an attractive option for the active retiree. Over the long term, Red Rock should plan to create more infrastructure and facilities that cater to this demographic group and increase its potential to realize a substantial share of this new market.

6.6 Longer-Term Strong Economic Development Opportunity: Eco-Industrial Networking

Eco-industrial networking is a process in which businesses cooperate with each other and with the local community in an attempt to reduce waste and pollution, efficiently share resources (such as information, materials, water, energy, infrastructure, and natural resources), and help achieve sustainable development, with the intention of increasing economic gains and improving environmental quality.

“Industrial symbiosis” is a related but more limited concept in which companies in a region collaborate to utilize each other's by-products and otherwise share resources. The term 'industrial symbiosis' was coined in the small municipality of Kalundborg, Denmark, where a well-developed network of dense firm interactions was encountered. The primary partners in Kalundborg, including an oil refinery, a power station, a gypsum board facility and a pharmaceutical company, share ground water, surface water, wastewater, steam and fuel, and they also exchange a variety of by-products that become feedstocks in other processes. High levels of environmental and economic efficiency have been achieved, leading to many other less tangible benefits involving personnel, equipment and information sharing.

There are three primary opportunities for resource exchange.

1. By-product reuse - the exchange of firm-specific materials between two or more parties for use as substitutes for commercial products or raw materials. The materials exchange component has also been referred to as a by-product exchange, by-product synergy or waste exchange and may also be referred to as an industrial recycling network.
2. Utility/infrastructure sharing - the pooled use and management of commonly used resources such as energy, water and wastewater.
3. Joint provision of services - meeting common needs across firms for ancillary activities such as fire suppression, transportation and food provision.

Application to Red Rock?

How does this apply to Red Rock? It applies directly to potential around the former Norampac paper mill property. The main ingredients to stoke industrial symbiosis are plenty of utilities and a willingness to create mutually beneficial partnerships.

The benefits to Red Rock can be immense:

- diversified economy through location of new industry, which would not consider other locations in the Region
- cleaner environment through diversion and re-use of heat, chemicals and water
- employment opportunities for residents in the Township of Red Rock

In addition to providing direct and indirect employment through redeployment of energy in the mill property, Red Rock should integrate the principles of eco-environmentally responsible practices in all four target groups previously outlined. This means considering ‘green’ options when planning tourism initiatives as well as manufacturing processes. Part of the reason Lone Eagles decide on a community is its reputation and principles as a green community. Again, the active retiree is also looking for a place to retire that supports a healthy and sustainable lifestyle into the future.

The merits of eco-industrial networking/industrial symbiosis are displayed in the following two examples.

6.6.1 Case Study 1 – Kalundborg, Denmark

www.symbiosis.dk

In Kalundborg, Denmark a symbiosis network links a 1500MW coal fired power plant with the community and other companies.

- Surplus heat from this power plant is used to heat 3,500 local homes in addition to a nearby fish farm, whose sludge is then sold as a fertilizer.
- Steam from the power plant is sold to Novo Nordisk, a pharmaceutical and enzyme manufacturer, in addition to a Statoil plant. This reuse of heat reduces the amount thermal pollution discharged to a nearby fjord.
- A by-product from the power plant's sulphur dioxide scrubber contains gypsum, which is sold to a wallboard manufacturer. Almost all of the manufacturer's gypsum needs are met this way, which reduces the amount of open-pit mining needed.
- Fly ash and clinker from the power plant is utilized for road building and cement production.

This web of materials and energy exchanges among companies (and with the community) has developed over the last 20 years in a small industrial zone on the coast, 75 miles west of Copenhagen. Originally, the motivation behind most of the exchanges was to reduce costs by seeking income-producing uses for “waste” products. Gradually, the managers and town residents realized they were generating environmental benefits as well, through their transactions. (A student team working on an Earth Day project in the early 90s mapped the network of by-product exchanges with yarn and showed it to the plant managers!)

The photo on the right displays the Asnaes Power Station (the hub of the network of materials and energy by-product exchanges at Kalundborg). The pipes in the foreground include the conduit for steam to the town of Kalundborg. The Statoil refinery is to the north, beyond the stacks. Novo Nordisk and Gyproc plants are about a kilometre to the south.



Over the last two decades, these partners spontaneously developed a series of *bilateral exchanges* which also include a number of other companies. There was no initial planning of the

overall network; it just evolved as a collection of one-to-one deals that made economic sense for the pairs of participants in each. The following diagram illustrates the network of companies in the symbiosis, showing the extent of the material and energy exchanges as they were in 1995.

Figure 28 – Kalundborg Industrial Symbiosis

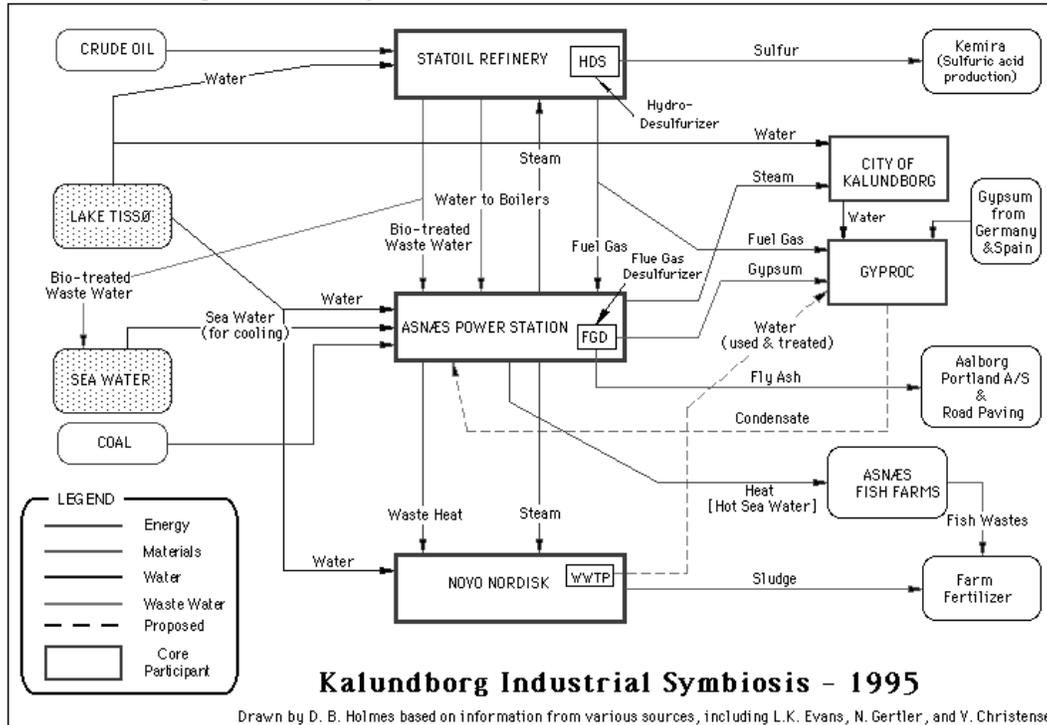
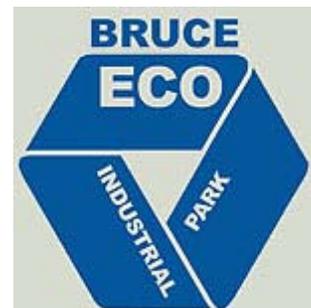


Image © Douglas B. Holmes

Direct Benefits to Agriculture

- Sludge from Novo Nordisk's processes and from the fish farm's water treatment plant is used as fertilizer on nearby farm. This is a large portion of the entire Kalundborg exchange network, totalling over 1 million tons per year.
- Surplus yeast from insulin production at Novo Nordisk goes to farmers as pig food.

6.6.2 Case Study 2 – Bruce ECO-Industrial Park, Tiverton, Ontario
www.bruce-eco.com



The Bruce ECO- Industrial Park is located on the east shore of Lake Huron near the community of Tiverton. The Park is in a very rural part of Ontario and adjacent to the Bruce Nuclear Power Development, one of the world's largest independent power generating facilities and generates enough electricity to supply ~25% of Ontario's power needs. It is owned by Canadian Agra with the exception of the individual lots purchased for development.

The Bruce ECO-Industrial Park was originally developed to make use of the excess steam from Bruce Nuclear, from which it would travel through steam pipes to businesses in the industrial park. In the 1990s one reactor that was attached to a boiler that produced excess steam was shut down. Since that time Bruce Nuclear has changed the operation of the steam plant which is now powered by fossil fuel and no longer generates excess steam. The steam power for the Park is now generated at a cost that is 400% higher than what was originally anticipated. With the inexpensive steam no longer available much of primary basis for the Park has been eliminated.

Given the rising cost of steam power to the Energy Centre and the dissolution of the original intention for the area, current owners, Canadian Agra, has plans to develop the area as an eco-industrial park. The intent is to create one of the first areas in Canada that would contain industries that would use the waste products of the other industries in the area. Potential uses in the area could include ethanol plants, or an anaerobic digestion plant which could produce bio-gas. In addition, Canadian Agra is seeking a public private partnership for the Bruce Nuclear utilities rather than the current contract with Ontario's Hydro One. This new utility company would provide all the utilities to the area and eliminate the need for Bruce Power to be directly involved in water treatment and steam supply. This is displayed in the figure on the following page.

Current occupants of the Eco-Industrial Park include 8 Acre Greenhouse, Concentrator/Dehydration Plant, Training Centre, Biodegradable Plastic, Alcohol Plant, Evaporator / Brewery, and Polyethylene Film Processor.

Figure 29 – Utility Flows at Bruce Eco-Industrial Park

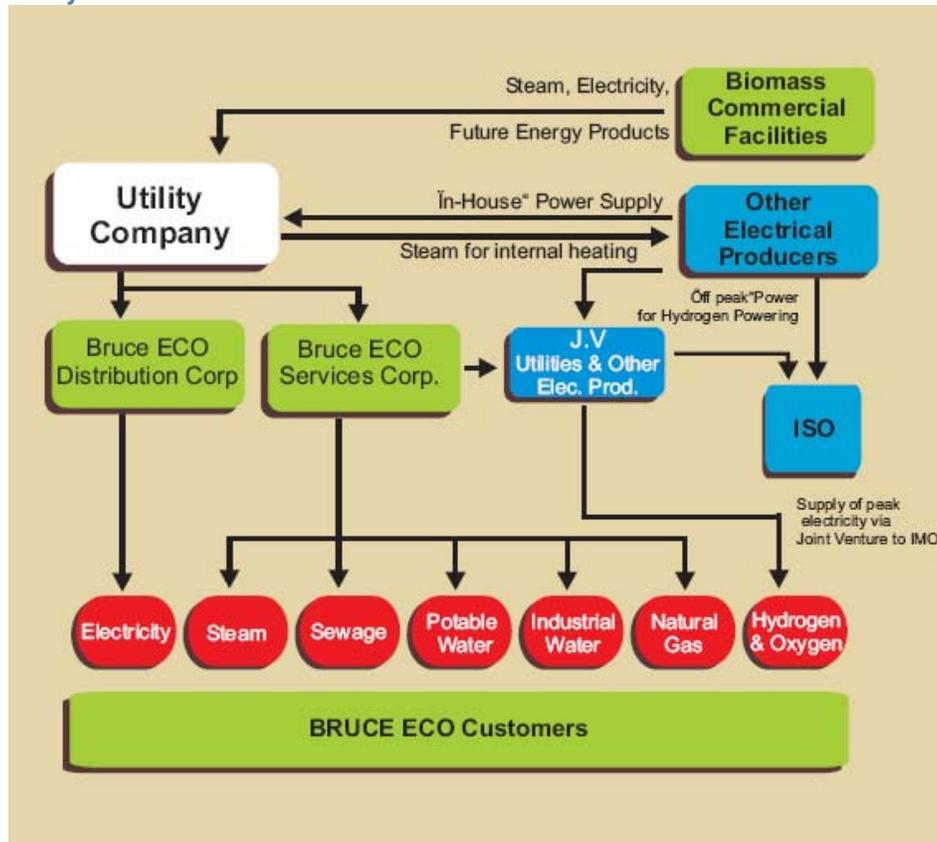


Figure 30– Aerial View of Bruce Eco-Industrial Park



6.7 Traits of Recommended Target Sectors

Figure 33 – Description of Selected Economic Drivers

	Lone Eagles	Manufacturing	Tourism	Active Retirees	Eco-Industrial Networking
Estimated near-term sector growth	Very strong	Weak	Moderate	Moderate	Long-term opportunity with strong potential
Complement to existing local base	Strong complement	Very strong complement (especially) to labour force	Strong complement	Moderate complement	Strong complement
Have a significant and sustaining impact on local economy	Very strong	Strong	Moderate	Moderate	Moderate
Municipal capital investment requirement to attract investment	Minimal	Moderate	From minimal to very significant	Minimal	From minimal to very significant
Current state of the sector?	For those in a positive cash flow position it's a good time to buy, but also a poor time to sell. Those looking to upgrade will still be in the market.	On a national and provincial scale the sector has been losing ground for several decades. Must look towards value added and innovative uses.	Tourism is very sensitive to many factors including value of the Dollar, price of gasoline and U.S. border issues. Red Rock should concentrate on Thunder Bay, Greater Toronto and U.S. sportsman market.	Demographic trends show a 20+ year of growth for this sector with the lifestyle goals of these people consistent with what Red Rock has to offer.	Environmental considerations and deregulation (as slow as it may be) have given rise to this opportunity.

	Lone Eagles	Manufacturing	Tourism	Active Retirees	Eco-Industrial Networking
How is this sector consistent with Council and the community's economic development values and goals?	The best way to diversify is to have an economy full of employees from different companies and self-employed entrepreneurs; enhances "social" side of the community	Signifies ongoing property tax revenue and local employment; continued growth ensures tax base will stay in Red Rock; keeps residents from having to commute to other areas to work	Enhances the quality of life for residents by offering recreation and entertainment options; enhances natural features of the area; helps return on investment in community infrastructure such as marina and trails	Promotes Township of Red Rock as an area with a 'superior' quality of life; increases the number of residents and talent to the community; enhances "social" side of the community; utilizes and enhances existing home inventory and property value	Potential to assist manufacturing; adds to positive image of Red Rock; creates entrepreneurial opportunities in the area of environmental projects as well as possible reduced operating energy costs for local businesses and public infrastructure (e.g. recreation facility)
What is Red Rock's current ability to capitalize on the sector?	Once we solidify our brand, agree on the marketing strategy and enhance our readiness to respond we'll be ready to go out and get the investors.	We have the available space and labour force, former mill property is a solid regional advantage, but the sector's poor economic performance makes attracting new investment incredibly difficult.	Extremely competitive marketplace with increasing returns in specific niche markets. We must be extremely targeted and allocate resources. Establishment of the NMCA, enhancing waterfront access and planned marina development are strong positive steps.	We are a natural area for people to want to live and enjoy the amenities due to housing costs, quality of life and access to recreational assets. Demographics are right and we know that people are willing to move. Let's go get them now.	This is a longer-term opportunity that hinges on the mill owner's ability to secure a Power Purchase Agreement and reliable source of fibre. These are not easy steps and require the entire community's support.
Desired future situation	A 20% increase in the number of Lone Eagles located in the community in the next five years	Continued vertical diversification including more research and innovation; continued strength in wood products, energy, fabricated metal and machinery.	A stable number of operators that provide visitors and locals with unique experiences ... recognized as a quick "getaway" location for urbanites ... a strong "Thunder Bay's Lakeside" initiative.	An increase in the housing stock and services to the young active retiree. Engagement of some of them as Lone Eagles.	Primary tenant in the former mill property engaged in the cogeneration of energy to be used by local businesses. Secondary businesses that have an environmental or 'green focus'.

	Lone Eagles	Manufacturing	Tourism	Active Retirees	Eco-Industrial Networking
Capitalizes on these competitive advantages³	<ul style="list-style-type: none"> * quality of natural environment * commitment to recreation * safe place to live * lower cost of housing vs. urban * proximity to Thunder Bay * access to airport * high speed broadband * available lots for building 	<ul style="list-style-type: none"> * several post-secondary institutions in the region * past successes * supportive council and community * low property taxes * skills of the labour pool * vacant mill property * good infrastructure 	<ul style="list-style-type: none"> * Lake Superior waterfront * proximity to Thunder Bay market and push for people to escape to the “lake” on a frequent basis * waterfront areas and potential for trails, parks and special events * Lake Superior National Marine Conservation Area 	<ul style="list-style-type: none"> * existing housing stock * good transportation links **‘superior’ outdoor recreational attributes * welcoming community with a strong “social” side 	<ul style="list-style-type: none"> * available electricity, heat, water and other utilities * available infrastructure for cogeneration of energy * nearby town centre for future utility connections (e.g. hot water)
Be aware of these gaps (i.e. competitive disadvantages)⁴	<ul style="list-style-type: none"> * Red Rock’s lack of image and perception in the Thunder Bay region * distance from amenities * few commercial locations in Red Rock for small operations to grow into * lack of essential services * lack of business networking group * distance from very major centre (e.g. Toronto, Winnipeg) 	<ul style="list-style-type: none"> * size of labour pool * lack of strategy for former mill property * absence of serviced land * distance to markets 	<ul style="list-style-type: none"> * lack of recognition of a key attraction (NMCA is new) * few tourism operators and region is spread wide * lack of consistently branded regional profile * underdeveloped tourism product – marina, trails, waterfront * lack of awareness of area 	<ul style="list-style-type: none"> * lack of essential services * distance to major centre * condition of existing housing stock * distance to access emergency services and medical facilities * lack of services for seniors 	<ul style="list-style-type: none"> * cost of developing eco-based advantages to attract businesses * cost to refit mill property for cogeneration of energy

³ The results of the focus group session, interview program and business survey provide a detailed inventory of the community’s strengths and weaknesses. While this is important for identifying target sectors, there is a need to dig deeper to ascertain Red Rock’s competitive advantages and disadvantages. **Competitive advantages and disadvantages are different than strengths and weaknesses. Strengths and weaknesses may be common to Red Rock as well its competitors, while competitive advantages and disadvantages will differentiate the Township from its competitors.** Red Rock has a better chance of continued success if it can target its economic development activities to serve the business sectors that are best able to capitalize on its competitive advantages while not suffering from its competitive disadvantages.

⁴ Ibid

	Lone Eagles	Manufacturing	Tourism	Active Retirees	Eco-Industrial Networking
Who are Red Rock's competitors?	Any community within 2 hour drive of Thunder Bay	Northern Ontario communities that have one or more of the 76 other closed or partially closed mills	Communities in the region are competitors for visitors from Thunder Bay but compliments for visitors from further afield	Any community within 2 hour drive of Thunder Bay	Facilities that are investigating alternative co-generation uses for mill facilities
How does this sector capitalize on regional, provincial and national initiatives?	* consistent with provincial focus to promote quality of life and recreational/leisure activities in rural areas	* consistent with regional, provincial and national efforts to retain manufacturing investment	* consistent with provincial focus to promote quality of life and recreational/leisure activities in rural areas	*consistent with provincial efforts to provide a quality of life for growing aging population	* consistent with provincial efforts to maintain a source of efficient and clean energy and environmentally sound practices

7 Three Year Marketing Action Plan

The focus for each sector is slightly different. The following chart identifies how resources should be broken out across Retention and Attraction initiatives. This is for a more short-term time period as these breakdowns need to be reviewed at least on an annual basis and could change depending on the nature of the micro and macro-economies.

This is especially the case when looking at the manufacturing sector. It is recommended that resources towards investment attraction remain relatively low in the next year and gradually increase to a 3 year level that allows aggressive outward promotion of the sector. This will coincide with a projected stabilization and improvement in the global manufacturing sector and securing the necessary agreements to make possible the cogeneration utility at the mill.

Figure 34 – Sectors and Retention-Attraction Focus for Parkland County Economic Development & Tourism Department

Sector Target	Retention-Attraction Time Split (2009)	Retention-Attraction Money Split (2009)	Partners in Retention Focus	Partners in Attraction Focus
Lone Eagles	10/90	5/95	Community Adjustment Committee	Alumni, Existing Lone Eagles, Township of Nipigon
Manufacturing & Eco-Networking	Limited base to retain; Attraction through Lone Eagles and cogeneration development	Limited base to retain; Attraction through Lone Eagles and cogeneration development	Community Adjustment Committee	Alumni, existing Lone Eagles, Township of Nipigon, Ministry of Northern Development & Mines
Tourism	Product Development vs. Promotion 30/70	Product Development vs. Promotion 30/70	Product Development partners include many local associations	Promotion partners include Township of Nipigon, NOSTA and Parks Canada
Active retirees	0/100	0/100	none	Alumni, existing active retirees

7.1 Marketing Action Plan: Improve Investment Fundamentals

There are a number of fundamentals that need to be addressed in order for the Township of Red Rock to take the leap into a proactive attraction campaign. For the most part, these need to be taken care of in the first year. However, dealing with them does not have to happen (and should not happen) at the expense of all of outward marketing initiatives.

Figure 12 – Initiatives: Improving Investment Fundamentals

Strategic Category	Recommended Initiative	Priority	Initiate	Budget	Partnerships
Annual Planning	Adequate resources dedicated to investment retention and attraction. Review Red Rock's budget for spending that is not associated with accomplishing the objectives of these sector plans or projects that directly support the attraction of new investment. Reallocate appropriately. Similarly for human resources, to allow the development officers to focus time on investment readiness, marketing and selling activities, there is little time for other initiatives unless other resources are found. This would include responsibilities such as committee meetings, etc.	High	Every year beginning 2009	Nil	none
	Incorporate training into the annual action plan. Most emphasis should be on training that provides staff and Council with best practices, but also spend some dollars on sales/marketing training. Invest in memberships to Economic Developers Association of Canada and International Economic Development Council to take advantage of savings for training.	High	Every year beginning 2009	\$7,000 / year	none
	Complete annual Marketing Action Plans that will focus human and financial resources for all initiatives during the upcoming year. The plans will make an objective assessment of the previous year's efforts, relating the outcomes to the targets that were set at the beginning of the year and how they fit with the directions identified in the Investment Attraction Strategy.	High	Every year beginning 2010	Nil	none
	Develop a detailed and current source of community data including skills inventory, available property information and community profile and labour market statistics. Ongoing updates (minimum quarterly for all but Skills Inventory which is annual).	High	Every year beginning 2009	\$500 / year	none

Strategic Category	Recommended Initiative	Priority	Initiate	Budget	Partnerships
Marketing and Promotion	<p>Establish a Technology Working Group to advise Community Development Staff on emerging technology issues and opportunities on a quarterly basis. Given the pace of technological change, it is impossible for a static strategy document to keep pace with emerging tools and opportunities. The presence of a formal, structured team of genuine experts to advise economic development staff on tools, tactics and approaches for using and understanding technology in their work will enable the communities to continually be at the leading edge of investment attraction, promotion and development activity. While not every new toy will unleash new opportunities for economic development, having ongoing access to relevant expertise and insight will allow the community to identify those tools that do hold promise, and to become the trailblazers and trendsetters on the economic development front. It will also ensure that as new technologies dictate the need for new community or business infrastructure, Red Rock will be well-positioned to become a centre of “early adoption”.</p>	High	2009	Nil	Township of Nipigon
	<p>Create a new regional website dedicated the sector priorities of the economic diversification strategy. The website will profile Red Rock.</p>	High	2009	\$25,000 in 2009; \$12,000 per year afterwards	Township of Nipigon
	<p>Utilize social networking tools to enhance economic development promotional efforts. Of all the changes initiated by the advent of Web 2.0 tools, the rise of social networking platforms is perhaps the most far-reaching in its impact. Social networking tools cast Internet users in the role of content creators, and create on-line environments for mass participation and mass collaboration. For an emerging generation of entrepreneurs and investors, websites are no longer static brochures of pre-prepared information, but interactive forums in which data, opinion and information are exchanged on a real-time basis. The economic development efforts of the future will see a decreased reliance on traditional web and database tools, and an increased emphasis on the use of social networks to achieve their goals. Red Rock should actively work to establish, promote and maintain social networking structures and initiatives as a way of both tapping into and leading this trend. In its initial phases, such a program would concentrate on establishing a viable, vibrant presence for the communities on three key networks: Facebook, MySpace and LinkedIn. Presence on YouTube and Flickr could also enhance future promotional efforts utilizing visual tools.</p>	High	2009	\$3,000 per year	Township of Nipigon

Strategic Category	Recommended Initiative	Priority	Initiate	Budget	Partnerships
	<p>Develop a number of sector-specific promotion and information pieces.</p> <ul style="list-style-type: none"> The Internet takes precedence over all other media, but there is still a place for ready-to-print marketing material or short-run marketing material. Each sector will have its own material and message but the overall look should be consistent with Red Rock's overall branding efforts. Develop the following printed materials: <ul style="list-style-type: none"> 4-page profile highlighting Red Rock's Green initiatives and objectives behind converting the mill to a cogeneration facility A cover sheet for bound packages or cover sheet for a binder that can be used for all printed deliveries, familiarization tour guides, etc. A 3' X 8' roll-it up banner that can be used as a backdrop for meetings, trade shows, media events, etc. 4-page profile highlighting the community as a choice for Lone Eagles 4-page profile highlighting the community as a choice for Active Retirees 	Medium	2009 for roll-it-up banner, 2010 for other materials	\$5,000 in 2009; \$10,000 in 2010; \$4,000 per year for updates thereafter	Township of Nipigon
Service Delivery	<p>Achieve the Gold Standard of service delivery</p> <ul style="list-style-type: none"> All current and future promotional materials and tools must be available online and readily available either as the user is browsing alone or on the phone with the development officer. Create an ability to provide immediate email responses with relevant attachments, including community profile, available properties, mapping and market analyses. Encourage other departments to have land use planning information available electronically (e.g. Zoning By-law and Official Plan). 	High	2009	Minimal	Owners of commercial and industrial property, other Township departments
	<p>Contact information goes on EVERYTHING! An investment decision is one of the most significant that any business person will ever make. This type of transaction will not happen without considerable involvement of the development officer. Ensure that the development officer's contact details are very prominent on EVERYTHING that is published. Direct all prospects to a person, not an "info" or "inquiries" mailbox – they will expect personal service and want to know they will get it before picking up the phone or sending the email.</p>	High	2009	Within website and print budgets above	None
Administration	Develop a comprehensive lead and contact tracking system utilizing such tools as Outlook or Sales/Contact Management specific software such as Maximizer, Salesforce.com or Act.	Medium	2010	\$1,000 per year	None

Figure 13 – Suggested budget outline: Improving Investment Fundamentals

Initiative	2009	2010	2011
Training and memberships	\$7,000	\$7,000	\$7,000
Data collection	\$500	\$500	\$500
Regional website - base	\$25,000	\$12,000	\$12,000
Social networking	\$3,000	\$3,000	\$3,000
Promotional materials including sector-specific pieces	\$5,000	\$10,000	\$4,000
Contact management system	\$1,000	\$1,000	\$1,000
Total for Investment Readiness	\$41,500	\$33,500	\$27,500

7.2 Undertake an Aggressive Public Relations Strategy

This is an initiative that the development office needs to undertake in support of its investment attraction and retention efforts, but it is one that the municipality should support. Positive public relations goes beyond just the aim of business investment – it sends a positive message out about the community that supports residential attraction, people wanting to work and shop in Red Rock, people wanting to visit Red Rock, people feeling good about their community, senior levels of government feeling positive about supporting infrastructure and social services programs, etc.

Good public relations do not happen on its own. It takes a lot of skill, and consistent hard work, over a period of time. It is part art, part science and when practiced correctly the results can be very rewarding. In many corners it is believed that public relations – versus other marketing communication tools – delivers the most bang for the buck.

Paid advertising increases name recognition, but media relations increases credibility. When people hear or read a story about the excellence of an organization in a newspaper or see a story praising the community on television, they will be much more likely to have a favourable opinion of Red Rock. This enthusiasm also affects people who live and own businesses in the area. They will become stronger believers in their community and will pass this message on to their peers.

Because a public relations campaign increases credibility, it helps you attract those who want the best and favour value over low cost. When someone has already heard of Red Rock and has a favorable impression of the area, it is easier to attract and hold their attention while you tell your story. If people believe that Red Rock is the best, they will understand why it is worth paying your price.

Another positive is that it is an excellent way of stretches the marketing budget. Because the media does not charge for news coverage, the relative cost of a good program is a lot less than for paid media or a direct mail campaign.

Here are some specific tactics that can come from a strong public relations campaign

Figure 14 – Public Relations Campaign Tactics

Tactic	What	Result
Announcements	Brief press releases regarding hiring of new executives, openings of new buildings, expanded community services, etc.	Typically result in one- to two-paragraph stories in publications, and keep your name in front of the target audience.
Major Announcements	Announcing significant new infrastructure projects, social and health services program growth, new business investments, etc.	These typically result in 500- to 800-word stories in print publications and often merit radio and television coverage – a press conference or press briefing may also be appropriate.
Feature Story Releases	Although a feature story must be newsworthy, in the broad sense of the word, it is also timeless.	Unlike a news story, a feature can have a point of view, an "angle", and is often longer than a hard news story on the same subject.
"Trend" Press Releases	These are usually the most valuable to the news media, and will help you establish a reputation as a source. For a municipality, this could mean offering opinions on new government policy, importance of striking partnerships, etc.	These are usually the most valuable to the news media, and will help Red Rock establish a reputation as a source.
B-roll or Video News Releases	Background video tapes will help get your story on television.	These could be of the inside of businesses in the community when generic footage is required and Red Rock gets highlighted.
Webcasts	Webcasts can be live events or archived and available on demand. They are a cost-effective, instantaneous method to communicate with media all over the world, in a compelling, interactive manner that meets journalists' needs.	Using Webcasts, you can extend the reach of your public relations efforts, reduce your budget for spokespeople, ensure your message is communicated consistently across all audiences, better fit into journalists' schedules, and provide more compelling supporting elements.
Media Training for Spokespersons	Spokespersons should be immediately available and trained in how to work with the media. The media usually wants to speak to an authority in the field, not the public relations person, for in-depth stories.	It is vital for persons who are often in the public eye on controversial topics.
"Op-ed" Articles	Typically run opposite the editorial page, are an excellent opportunity to comment on issues of the day and to build name recognition as an expert in the field.	They run under the by-lines of experts, and give you a chance to state your case in your own words, with minimal editing by a reporter. Once published, they can be effectively used as reprints.
Trade Shows	Good opportunities to make announcements – new products, acquisitions, and alliances – because trade journalists are often present.	Contacting key media in advance and offering time with your executives can be the incentive they need to seek Red Rock out.
Speech Writing	Remarks by an organization's top executives can attract positive attention.	Keynote addresses at conventions, luncheon talks to service or professional groups, greetings to guests at receptions and dinners are among the possible forums.
Photography	Although it may not seem obvious, photography is most important when a subject is difficult to photograph and/or not inherently visual.	It greatly increases the chance that the media will use your material.
Internet Monitoring	Social and community websites and forums like Wikipedia.org and TripAdvisor.com should be tracked continuously for the information that is posted about Red Rock and its key people, community groups and businesses. In many cases, it is entirely appropriate for the municipality/band to add material.	These media are quickly overtaking all other media in terms of usage. Taking advantage of the opportunity to frame the message where possible and appropriate.

Tactic	What	Result
Newsletters and Annual Reports	Another way to keep your strategic messages in front of your target audience is to communicate via a quarterly newsletter and annual report.	This is an excellent place to recap the coverage you have received in the media. Not everyone in your target audience will have seen all the coverage your organization has received. When it is reviewed in its entirety the sum becomes greater than its parts.

Figure 15 – Suggested budget outline: Public Relations Marketing Action Plan

Initiative	2009	2010	2011
Externally contracted public relations service	\$20,000	\$20,000	\$20,000
Total for Public Relations	\$20,000	\$20,000	\$20,000

Note: The Township is encouraged to divide this investment across the entire municipal budget because the positive effects are broad based.

7.3 Lone Eagles Marketing Action Plan

Figure 16 – The Messaging for Lone Eagles Sector

Sector	The Approach	Timetable for			
		Further Investigation	Partnership Development	Product Development	Promotion
Lone Eagles	We're ready. Let's go out and get the investment!	Locals who can deliver the message of "strong community" along with "individualism" and "opportunity" must be brought into the initiative.	Public relations strategy will identify broadcast media partners. Community's message must be well-coordinated.	Public profile needs to be energized. Additional measures like Communities in Bloom and investment in infrastructure will assist	Currently, the main emphasis of the initiative. Distribution list of alumni, website and public relations are key.

The heaviest emphasis for the Lone Eagle sector is in the public relations and internet/website strategies. Most of the required budget is identified there.

Figure 17 – Initiatives: Lone Eagles Marketing Action Plan

Strategic Category	Recommended Initiative	Priority	Initiate By	Budget	Partnerships
Investment Readiness	Maintain a comprehensive inventory of Lone Eagle businesses in Red Rock and use as Ambassadors and support for claims to prospective investors. Identify aspects they feel would improve the quality of life and business; implement as required	High	2009	To be defined by needs	SNCFDC
Investment Attraction	The heaviest emphasis for the Lone Eagle sector is in the public relations and internet/website strategies.	High	2009	See tables above	Township of Nipigon, SNCFDC
	The most likely future investors are those who have previous ties to the community. Consistently distribute information to this group and involve them in social media. <ul style="list-style-type: none"> Establish distribution lists of existing citizens and business owners, graduated high school students, people who once worked in the community Dedicate significant resources to providing ongoing information to this target group through social/interactive media networking, email distribution, website postings, newspaper/radio/television appearances 	High	2009	\$7,000	community groups, high school, business associations
	Work with media to promote success stories of young persons who have chosen to make their homes/careers in the area	Medium	2010	See tables above	Township of Nipigon, SNCFDC

Figure 18 – Suggested budget outline: Lone Eagles Marketing Action Plan

Initiative	2009	2010	2011
Distribution lists and communications	\$7,000	\$7,000	\$7,000
Total for Lone Eagles	\$7,000	\$7,000	\$7,000

7.4 Manufacturing Marketing Action Plan

This is for several reasons:

- The manufacturing markets are in their worst shape in decades
- There is tremendous competition for investment from communities across Northern Ontario who have faced the same loss of forestry-related jobs.
- While assembly and basic manufacturing operations will continue to struggle in Canada, growth is anticipated in advanced manufacturing technologies for which Red Rock is not as well positioned for as communities with higher education levels.

Figure 19 – The Messaging for Manufacturing Sector

Sector	The Approach	Timetable for			
		Further Investigation	Partnership Development	Product Development	Promotion
Manufacturing	The Lone Eagles investment attraction will recognize the need and opportunity for manufacturing investment to Red Rock. This is the wisest use of limited resources.	The plan is more heavily geared in the near term to developing a strong competitive advantage through cogeneration rather than spending tremendous time and money on a manufacturing-specific investment attraction strategy.	Partnership with the mill owner has been established but relationships need to be struck with Power Purchase Agreement and fibre supply decision makers	Eco-Industrial Network is the key to Red Rock's competitive advantage in this sector	Initially done through Lone Eagle strategy, but as competitive advantage is developed this sector should have its own dedicated resources.

Figure 20 – Initiatives: Manufacturing Marketing Action Plan

Strategic Category	Recommended Initiative	Priority	Initiate By	Budget	Partnerships
Establish Competitive Advantage through Eco-Industrial Network	See Eco-Industrial Network Marketing Action Plan below				
Near-Term Marketing and Promotions	The heaviest emphasis for the manufacturing sector in the near-term is in the public relations and internet/website strategies. However, there is a requirement to ensure that the available mill buildings are properly inventoried and identified on Township promotional materials, including available property listings. The Community Development Office needs to know the building's key attributes in order to develop early interest from potential investors.	High	2009	See tables above	Township of Nipigon, mill owner, SNCFCDC
Long-Term Marketing and Promotions	Work with mill owner to identify key sector opportunities and develop marketing action plans around the potential investment targets as well as key "influencers" who work in the selected industry (e.g. sector consultants, provincial and federal government investment officials, real estate professionals, site selection consultants)	Low	Once eco-industrial network is better established	\$20,000	Township of Nipigon, mill owner

Figure 21 – Suggested budget outline: Manufacturing Marketing Action Plan

Initiative	2009	2010	2011
Long-Term Marketing and Promotions	\$0	\$0	\$20,000
Total for Manufacturing	\$0	\$0	\$20,000

7.5 Tourism Marketing Action Plan

Figure 22 – The Messaging for Tourism Sector

Sector	The Approach	Timetable for			
		Further Investigation	Partnership Development	Product Development	Promotion
Tourism	Product development needs to continue but not at the expense of promotions – there is enough already to be excited about.	Continuing to focus on initiatives that strike a balance between the needs of tourists, Lone Eagles and existing residents.	Events will be important and those can be led by community groups. NOSTA needs to be supported. The Township of Nipigon has a VERY similar product – the Townships should be working together.	There is a need to focus; product not well-rounded. Strength in outdoor adventure and opportunities in environmental education that have not yet been realized.	North of Superior is an important vehicle – all businesses must participate.

Figure 23 – Initiatives: Tourism Marketing Action Plan

Strategic Category	Recommended Initiative	Priority	Initiate By	Budget	Partnerships
Product Development	Hold information and awareness-building session on 'upgrading your tourism business'. Undertake background work with successful tourism operators who can attest to the payback of investments in improvements (inspiring stories) and would be prepared to let their experiences stand as examples to others. Invite all tourism operators in municipality to attend.	Medium	2010	\$1,000	SNCFC
	Develop Red Rock's entrance beautification initiative to improve visual appeal and carry on with recommendations for downtown improvements. Supplement with Town banners, flora, etc. (immediately in downtown and upon completion of water/sewer for Highway 628)	High	Ongoing for downtown; 2011 for highway	Capital costs	Senior government; Chamber of Commerce
Brand and Image	Agree on the use of one brand for local marketing and have all businesses and organizations use it in their own promotions. Develop a brand that incorporates the 'message' of Red Rock and alludes to its assets of Lake Superior and exceptional quality of life with an overriding theme of being 'open for business'. The brand should be simple and used consistently in all of Red Rock's message opportunities. Budget allocation is for redesign and creation of style guide.	High	2009	\$4,000	Area tourism groups, NOSTA, local tourism committee, local business association
Public Relations	The Public Relations campaign identified in the table above is critical to the success of the tourism initiative. The messages that are delivered for Tourism will also support all sector initiatives.	See above Public Relations table			

Strategic Category	Recommended Initiative	Priority	Initiate By	Budget	Partnerships
Festivals and Events	Expand the number of festivals to 6 per year. Concentrate on events where there is an opportunity to increase tourism traffic to the community e.g. sea kayaking, ice climbing, hunting, fishing, trail building. Grow events by 1 in 2009 (get Celebrate Ontario 2009 funding), 1 more by 2010 and 2 more by 2011. Enhance annual folk festival and fishing derby. The scope of these 6 could be 3 larger scale (e.g. folk festival) and 3 smaller scale celebrations where mainly locals would attend (e.g. municipal anniversary, WinterFest). To do this, Red Rock cannot rely solely on volunteers – professional services are required, in-house or contracted.	High	2009	\$20,000 and growing to \$40,000	Private sector support, Celebrate Ontario, NOSTA, SNCFDC, participant fees
	Measure return on investment for events. ⁵ A number of techniques should be employed to evaluate the effectiveness of local events in achieving their goals and having economic impact. Outsource in the first year to learn how they are done and complete in-house thereafter.	Medium	2010	\$10,000 in 2010 only	Senior governments, NOSTA
Regional Marketing	Play a leading role in NOSTA. The direction and health of NOSTA is critical to Red Rock's future tourism success. Contribute through position on the Board, encouraging local businesses to advertise through NOSTA, developing co-operative advertising opportunities.	High	2009	\$2,000	None
Business Assistance	100% of local businesses should have an online presence. Pursue subsidy programs, bulk buy opportunities, etc. to this end. Seed funding will get off the ground.	High	2009	\$2,000	SNCFDC

Figure 24 – Suggested budget outline: Tourism Marketing Action Plan

Initiative	2009	2010	2011
Product Development – Information Sessions	\$1,000	\$1,000	\$1,000
Beautification	Capital budget	Capital budget	Capital budget
Brand and image	\$4,000	-	-
Festivals and events	\$20,000	\$35,000	\$40,000
Measuring event effectiveness	\$10,000	-	-
NOSTA participation	\$2,000	\$2,000	\$2,000
Business on-line presence	\$2,000	\$2,000	\$2,000
Total for Tourism	\$39,000	\$40,000	\$45,000

⁵ In the past, special events often receive generous support from governments and industry simply because they enhanced quality of life for residents or maintained cultural traditions. However, in today's economic climate, sponsors, governments and associations are under increased pressure to justify special events with credible economic impact data. There are methods of measuring direct economic impact, taxes generated and employment created through special events. For example, single event surveys ask visitors about expenditures they made as a result of their visit to an event, venue, or attraction. The data can then be analyzed using specialized models to calculate economic impact, taxes generated and employment created as a result of the event. Such evaluations will also allow the communities to make strategic decisions on how events should be improved, if they should no longer be supported or if they should be enhanced. In addition, the surveys will show the most successful aspects of special events which can be applied to all. This information is also critical to attracting sponsors and (perhaps to a lesser degree) volunteers. Positive economic spinoffs and known spending calculations will help the Town to target its fundraising and volunteering messages and attract/retain supporters.

7.6 Active Retirees Marketing Action Plan

Figure 25 – The Messaging for Active Retirees Sector

Sector	The Approach	Timetable for			
		Further Investigation	Partnership Development	Product Development	Promotion
Active retirees	This sector has already shown interest and told us we are a good locations. Let's go out and get the investors!	Similar to the Lone Eagle sector, local active retirees who can deliver the message of "strong community" along with "individualism" and "opportunity" must be brought into the initiative.	Public relations strategy will identify broadcast media partners. Community's message must be well-coordinated.	Public profile needs to be energized. Additional measures like Communities in Bloom and investment in infrastructure will assist	Currently, the main emphasis of the initiative. Distribution list of alumni, website and public relations are key.

The heaviest emphasis for the Lone Eagle sector is in the public relations and internet/website strategies. Most of the required budget is identified there.

Figure 26 – Initiatives: Active Retirees Marketing Action Plan

Strategic Category	Recommended Initiative	Priority	Initiate By	Budget	Partnerships
Investment Readiness	Maintain a comprehensive inventory of Active Retirees in Red Rock and use as Ambassadors and support for claims to prospective investors. Identify aspects they feel would improve the quality of life and business; implement as required	High	2009	To be defined by needs	civic clubs
Investment Attraction	The heaviest emphasis for the Active Retirees sector is in the public relations and internet/website strategies.	High	2009	See tables above	alumni, civic clubs
	The most likely future investors are those who have previous ties to the community. Consistently distribute information to this group and involve them in social media. <ul style="list-style-type: none"> Establish distribution lists of existing citizens and business owners, graduated high school students, people who once worked in the community Dedicate significant resources to providing ongoing information to this target group through social/interactive media networking, email distribution, website postings, newspaper/radio/television appearances 	High	2009	\$7,000	community groups, civic clubs, high school, business associations
	Work with media to promote success stories of Active Retirees who have chosen to make their homes/careers in the area	Medium	2010	See tables above	alumni, civic clubs

Figure 27 – Suggested budget outline: Active Retirees Marketing Action Plan

Initiative	2009	2010	2011
Distribution lists and communications	\$7,000	\$7,000	\$7,000
Total for Lone Eagles	\$7,000	\$7,000	\$7,000

7.7 Eco-industrial Networking Marketing Action Plan

Figure 28 – The Messaging for Eco-industrial Networking

Sector	The Approach	Timetable for			
		Further Investigation	Partnership Development	Product Development	Promotion
Eco-industrial Networking	Evidence tells us there is opportunity, but we need to overcome key barriers first. It's not likely to come to us. We need to be aggressive.	Opportunities have been identified but this is an iterative process – continue to work on securing Power Purchase Agreement and reliable supply of fibre.	Currently, the main emphasis of the sector. A necessity for successful investment attraction. Do so within two years.	Specific projects need to be identified. Continue to implement green initiatives and make them a central focus of the community's brand.	Will have to wait until cogeneration or other utility sharing ideas have come to reality.

Figure 29 – Initiatives: Eco-Industrial Networking

Strategic Category	Recommended Initiative	Priority	Initiate By	Budget	Partnerships
Partnership Development	The first step is to ensure the necessary stakeholders have bought into the initiative. This means, primarily, working with the mill owner to secure Power Purchase Agreement and a reliable source of fibre.	High	2009	TBD	Ontario Ministry of Natural Resources, Ontario Power Generation, forestry interests
Long-Term Marketing and Promotions	As the project opportunities become more clear Red Rock should allocate more resources to identifying investment prospects and selling the investment opportunity. The Township and mill owner need to create strong channels of communication with prospective investors, neighbouring communities and public authorities from which necessary funding may have to flow. A community access web site and open door policy enable this kind of communication.	Medium	2011	\$50,000	Mill owner, Ontario government; Township of Nipigon
Competitive Intelligence	There are a number of organizations and conferences where Red Rock would benefit from participation including the Industrial Symbiosis Institute and Canadian Eco-Industrial Network	High	2010	\$5,000	Mill owner

Figure 30 – Suggested budget outline: EnviroTech Marketing Action Plan

Initiative	2009	2010	2011
Long-Term Marketing and Promotions	\$0	\$0	\$50,000
Competitive Intelligence	\$5,000	\$5,000	\$5,000
Total for EnviroTech	\$5,000	\$5,000	\$55,000

8 Performance Monitoring and Metrics

Economic development is a dynamic landscape. Regardless of the community in question, there are always many forces and organizations involved. This is easy to understand when consideration is given to the scope and variety of projects that are considered to be “economic development”. These include delivering services for small businesses and entrepreneurs, business investment attraction, business retention and expansion, workforce training, physician recruitment, community beautification, brownfield redevelopment, downtown revitalization, shop local programs and special events.

One of the key considerations in the delivery of an economic development program for Red Rock will be the roles and responsibilities for the members of the economic development team. With local community interest in economic development at a high level, and municipal resources stretched thin, it will be essential that a delivery model be one which enables the involvement of the community in ongoing program delivery.

It is important to note that it is not the Township itself that creates economic wealth; this is the role of the business community. However, the Township does have a role and responsibility in creating a supportive and nurturing environment through which economic growth will occur and quality of life will be enhanced. The strategies found within this document endeavour to identify the highest probability short and long-term job creation opportunities as well as more fundamental shifts in strategy that the Township and its partners can employ to create sustainable development.

8.1 Performance Measurement

Performance measurement is a tool to determine how well a job has been done using both qualitative and quantitative information and activities. A lack of clear measurements (or the communication of them) is one of the key reasons why economic development practices fail. The following reasons make it important to track activity and performance.

- Providing public accountability
- Assisting with human resources management
- Using results to improve performance
- Identifying the return on investment

An effective Development Officer must perform, measure *and* communicate these results.

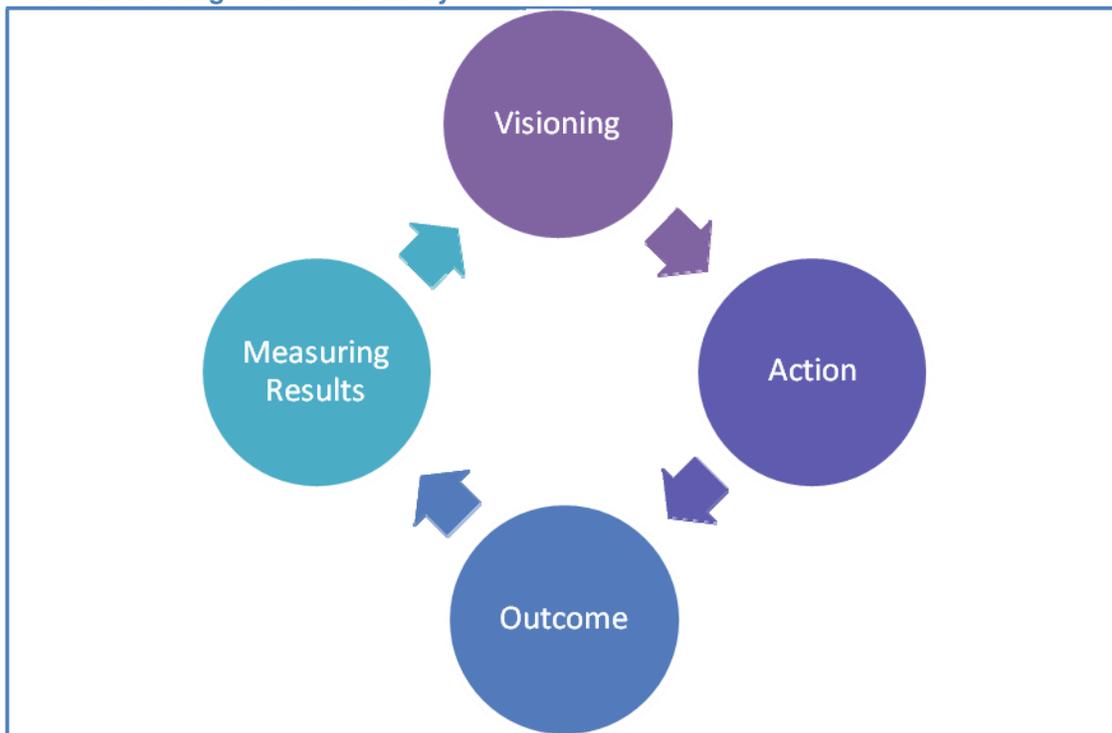
Unfortunately, performance measurement in economic development is not a common practice. This is something of an unacceptable situation and is slowly changing as Development Officers see the merits in tracking performance so they can improve their operations. To a large degree though, Development Officers are reacting to negative circumstances – only tracking because their stakeholders are forcing them. Municipal government cannot be blamed, however, as they are being increasingly pressured by their constituents to do more with less and justify their spending. Without ongoing justification and demonstration of the benefits of economic development there may be pressures on the department to scale back its operations, thus limiting their effectiveness over the long term.

The lack of research as to the most appropriate economic development performance measures also contributes to the lack of appreciation for the real impact economic development efforts can have on a community. In an effort to provide Red Rock with an understanding in this regard the following discussion provides specific details for measuring customer service and return on investment as it pertains to the business of investment attraction.

8.2 Evaluating Economic Development Service Delivery

The process of evaluating progress and success in economic development delivery should be continuous. Each success generates more opportunities, each failure a series of lessons for improved future performance. Behind any discussion of legitimate performance measurements and benchmarking activities must lie the following approach to integrating evaluation with action:

Figure 31 – Evaluating Services Delivery



Nevertheless, measuring the impact of economic development programs is a contentious and problematic area of ongoing debate and research. Red Rock staff should continue to monitor emerging discussions and trends in this regard, but the following tools may be of some value in evaluating progress in the implementation and effectiveness of this strategy.

The most commonly used traditional measure of the success of an EDO relates to the numbers of new jobs and tax revenues created. Sometimes it is the only measure that is requested or understood by

stakeholders, despite the fact that the objective of economic development projects is not always to create jobs and taxes, but instead to foster an environment that enables investment and development to occur.

Economic development is a service business and investment prospects require a high-degree of attention. To effectively determine the client’s needs and identify possible solutions takes strong selling skills and a broad knowledge of the local and regional economy, certain industrial sectors, building/land development and the local business community.

To be consistently successful in attracting new business and visitors, the Township and other organizations in the community must be recognized as one team who are working towards the common goal of doing whatever it can to attract desirable investments. When the Township becomes the key point of contact it should aim to consistently meet the “Gold Standard” of acceptable service.

8.2.1 Some Measures to Consider

What’s most important in the preparation of qualitative and quantitative measures is to identify at the beginning of the period what the expectations are and to get agreement from the stakeholders, which in the proposed model should be the Community Adjustment Committee and Township Council. Determine “What do we need to do to be considered successful?”

Figure 32 – Economic Development Measures to Consider for Core Responsibilities

Service	Examples of Measures
Overall	<ul style="list-style-type: none"> • Marketing Action Plans with a prioritized list of achievable projects for each service and measurable targets completed each fiscal year, including objective review of the previous year’s activities • A vibrant Advisory Committee with representation from across the community • Successful leveraging of \$x through senior levels of government • x% customer satisfaction based on feedback forms • x% of business people understanding the role of the Community Development Office and how it can help them and their peers
Public Relations / Media	<ul style="list-style-type: none"> • x% increase in traffic to Township’s website • establishment and x% semi-annual increase in traffic to Red Rock’s social networking/alumni sites (e.g. Facebook) • x% increase in the number of online posted community-based videos, blogs, etc. • see specific outline of other public relations tools in Section _____
Community Revitalization	<ul style="list-style-type: none"> • New programs established for façade and building improvements and other needs • Commercial vacancy rate • Residential vacancy rate and residential occupancy rate (number of people per household) • Number of new businesses established • Ability to fill/service retail gaps • Net jobs and taxes created • Expansion of trade market area • Improved perception of Red Rock centre or waterfront as a gathering place

Service	Examples of Measures
Investment Attraction (including Lone Eagles, Manufacturing, Active Retirees)	<ul style="list-style-type: none"> • A website that is making use of the latest technology to improve the access that prospective investors have to information on Red Rock • A website that the Community Development Office can use while on the phone to better understand the prospect's needs • An up-to-date Community Profile with data that is relevant to target sectors • An up-to-date online Available Properties Guide containing information on vacant industrial, residential and commercial property. All property profiles should be easily emailed • Target of x% of incoming investment inquiries handled well while on the phone with the prospect • Target of x% of customized responses delivered within 24 hours • Target of x jobs created • Target of \$x taxes created • Growth of x% of investment prospects who consider Red Rock to be a viable business location • Lead: Success ratio that improves continuously • Community Development Office \$ investment per lead, prospect and success.
Tourism	<ul style="list-style-type: none"> • Attendance at events and number of events • Number of marina slip nights rented • Accommodation occupancy rates • Visits to Tourism Information Centre in Nipigon • Number of new tourism-oriented businesses
Eco-Industrial Networking	<ul style="list-style-type: none"> • Established Power Purchase Agreement for mill property • Reliable source of wood fibre for cogeneration fuel • Completed feasibility study on linking residential systems to cogeneration's heat source • x% decrease in vacant industrial space at mill

9 Conclusion

The above analysis and recommendations provide the Township of Red Rock with clear direction that, properly resourced, can help the community to achieve:

- economic diversification
- attraction of new jobs and investment
- retention and expansion of existing enterprises
- agreement on the economic future.

The following target sectors* are recommended:

- Lone Eagles
- Manufacturing
- Tourism
- Active retirees

* All target sectors should also incorporate a theme of environmental responsibility

The Township's positive work has generated even more enthusiasm across the community for economic development. The Township has an opportunity to capitalize on this attitude with continual engagement and involvement in the many initiatives identified herein.

APPENDIX A – List of Interviewees and Vision Attendees

Stakeholder interviews were held January 28th and 29th, 2009, at the municipal office in the Township of Red Rock. Interviewees included:

Brian Davis	Retired Teacher – GED instructor
Shelley Boudreau	Labour Adjustment Coordinator
Kal Pristanski	Councillor
Sam Sobush	Mayor
Gary Nelson	Councillor
Anne Marie Bougerault	Superior North Community Futures Development Corporation
Ross Spencer	Retired mill worker
Sandra Parker	Librarian
Mic Groulx	Chief Administrative Officer
Nancey Gladun	Municipal Inspector
Rod Sarrisan	Trucker
Sara Park	Councillor
Bonnie Gray	Councillor
Phil McGuire	Retired mill worker, entrepreneur
Ray Rivard	Business Owner

A visioning session was held on January 28th, 2009, at the Community Development Office in the Township of Red Rock. Attendees included:

Trudy Bellamy	Assistant Coordinator for the CEP Labour Action Committee
Judith Sobush	Retired, Beautification Committee
Sara Park	Town Councillor
Shirley Dunville	Retired, Beautification Committee
Ross Spencer	Retired
Dave Parker	Mill worker
Bonnie Gray	Dewhurst Insurance, Town Councillor
Jackie Brewer	Bank Manager, Northern Credit Union
Chick McCabe	Retired
Rita Imhoff	Retired
Chesley Imoff	Retired
Leah Tees	Community Development Assistant
Leslee Fredericks	Community Development Officer

Other interviewees include:

Robert Van Patten	Owner, Red Rock Mill
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APPENDIX B – Stakeholder Consultation Results

Summary of Stakeholder interviews

An important part of the process in the learning of the competitiveness of a region's economic base is to attempt to understand the opinions, ideas and feelings of community and business leaders that live in the area and experience the challenges first hand and day-to-day. To fully understand the issues facing Red Rock, we undertook fifteen one-on-one interviews with council representatives, business people, members of community organizations and ordinary citizens who live in Red Rock and experience its economy daily. The ideas and thoughts offered by these stakeholders helped inform our decision on how to effectively create an industrial strategy that is tailored to the needs of Red Rock. Throughout the interview process we asked probing questions and asked for specific examples to generate comprehensive answers about the quality of economic development services in Red Rock. Stakeholders were assured that their responses would be kept confidential. The following identifies some of the specific comments and suggestions made by the stakeholders:

1. What are Red Rock's advantages for promoting economic growth and business development?

- (a) Transportation links – almost all of the key stakeholders identified that Red Rock has transportation advantages with:
- A natural sea port – it was recognized that work has to be completed on the marina in order to make it competitive and valuable as a deep water sea port
 - CP rail lines
 - Access to the Trans Canada Highway (11/17)– some people felt it was a disadvantage to be located 'off' of the highway
 - Access to a major airport within one hour's drive - also good for tourism
- (b) Location – while some people felt that everything about Red Rock's location was a disadvantage, there were several positive aspects of Red Rock's location that others felt could be capitalized upon:
- Good location for the shipment of goods via water/rail/road i.e. shipment of paper products and mining could be shipped for Terrace Bay
 - Proximity to Thunder Bay and Toronto
 - It is 'off the beaten path' – has more of a community feel
 - Good location for water activities – boating etc
 - Central to the province of Ontario
 - Good location for forestry activities due to water/rail system
- (c) Local taxes and regulations – in general people felt that taxes and regulations were reasonable and encouraging for development:
- Council is currently completing an official plan which will ensure that the tax structure is helpful in attracting new business. Council is looking at a reduction in business taxes to attract new investment.
 - Regulations are very reasonable and Council is eager to work with investors/developers to encourage new development
 - Sub division regulations are possibly restrictive
- (d) Sewer, water, electricity (cost and reliability) - All stakeholders felt that all services are reliable.
- Water usage is paid for by a flat fee determined by the number of people in the household
 - Water and sewer costs are among the lowest in the province
 - Electricity rates were felt to be high – Ontario Hydro

- Can't get equal billing plan for electricity due to the economy – this is a situation common to all of Northern Ontario
 - Water and sewer services do not extend to all of Highway 628. This will be needed if new houses and/or businesses want to build in the area
- (e) Municipal support – everyone felt that municipal support is excellent. It was felt by all that the municipality would be very eager to help new businesses wanting to settle in Red Rock and would do anything reasonable to accommodate them.
- A good indication of municipal support is that in January of 2008 the Council hired a Community Development Officer which was a conscious decision on Council's part to get into the 'business' of economic development
 - The Council works hard to attract new business development
 - Council does not offer incentives but will 'bend over backwards' to help
- (f) Access to financing – the general consensus is that banks and lenders would not look favourably on lending for either residential or business growth in Red Rock.
- Red Rock does not have a bank, but does have a credit union in the community
 - Banks are looking at supportive financing for Red Rock with a critical eye
 - Money for residential use is still available, but they are cautious about business financing
 - Would probably have to access government funding to get money for new business development in Red Rock
 - Difficult because of Red Rock's economic history. Hospitality projects are now only getting 50% funding, and forestry is only supported if it is value added
 - Population too low for support from lenders
 - It would depend on the businesses case - banks will support what they see as viable
- (g) Availability of land or buildings – most felt that while there are some buildings available for use by new developers, land was limited.
- The former paper mill building is vacant and available for development – this building has industrial as well as office space
 - The inventory of land is somewhat restricted – should consider Highway 628 as a new area of focus for development
 - Land is all privately owned
 - Land is limited and will be hard to develop due to lake on one side and granite on another side – will be difficult to make serviced land available
- (h) Availability of skilled/unskilled labour – most people felt that labour would not be a big issue for new development although most of the skilled workers have left for work elsewhere.
- Most skilled workers are presently working elsewhere but would return to Red Rock if the work was available there
 - There is a limited inventory of skilled and unskilled labour in the community
 - A recent labour force study shows a good labour supply

2. What major barriers or obstacles to future economic growth exist in Red Rock?

- Water and sewer should extend to Highway 628 leading from the TCH to Red Rock –this is an opportune area for new development
- Remote location – distance off the highway
- Small population
- Lack of public transit – buses, taxis etc.
- Not enough serviced land
- Limited essential services i.e. bank, gas station, doctor, etc.
- Cost of development and infrastructure development high
- Distance to markets
- General downturn in the economy
- Too close to Thunder Bay – people go there for their services and products
- Red tape – high costs of hydro
- Limited cultural activities

- People do not 'shop at home' on a consistent basis
 - Lack of government support (federal and provincial) for businesses in the north
3. **What industry sector should Red Rock focus on to attract new economic growth?** Many felt tourism would be a good area of focus while others were opposed and felt it should be a secondary industry. Manufacturing was felt to be a viable option considering the availability of a site and skilled labour.
- Tourism, through the waterfront assets, could be an excellent source of revenue for the town – boating, fishing, kayaking and other water based activities. Snowmobile and hiking trail development. Tourism development to the US leisure market for fishing and boating is a possibility.
 - Manufacturing – the former mill is a serviced site and would be an ideal site for a manufacturing facility. Investigate the possibility of a plywood plant – may be a market to take the place of the plant at Nipigon. Other possibilities include manufacturing of containers, panel housing, mulching facility and recycling plant.
 - Forestry – bio mass, energy, pellets. Ideal location at the former mill and the product could be shipped via water/rail/road
 - Call centre
 - Home based businesses
 - Red Rock has the potential of be the bio mass production facility for all of Ontario
 - Do not focus on Tourism – it does not contribute to the tax base; season is too short to realize any economic generation. Does not provide many jobs.
 - Value added forestry
 - Environmental sector – green/bio/energy projects and businesses
4. **What do you feel should be the focus of Red Rock's business development efforts?** Again, many felt positive towards tourism while most also felt that manufacturing would provide many good paying jobs again. It was generally felt that several small employers would be preferred to a single major employer.
- Develop the marina/waterfront for tourism purposes
 - Assist the mill owner with solutions for re-development of the mill property – plywood? Energy generation? Value added forestry?
 - Small business development – too much dependency on one major employer – attract smaller businesses that will employ 20 – 25 people
 - Downtown revitalization and upkeep on buildings that need repair including the recreation centre
 - Develop more highway signage to direct people to Red Rock and the waterfront area
 - Develop serviced land bank
 - Innovative manufacturing
 - Wind generation
 - Capture drive through traffic from highway
 - Provide opportunities for youth
5. **What do you hope will remain the same about Red Rock in 10 years time?**
- Size to stay relatively small
 - Sense of community
 - Safe community
 - Responsible lakeside development
 - Friendly people
 - Good town to raise children
 - Active recreation facility/pool
 - Keep our existing businesses

- Beautiful scenery
- Good schools
- Great volunteers

What do you hope will change?

- Some new industry – to be self sufficient
- Families to be able to stay together
- Increased tourism
- Developed marina area
- Small business growth
- School system incorporating trades skills into curriculum
- Full utilization of mill building
- More employment – jobs
- Enclose pool to make it year round facility
- More training opportunities

6. What is your vision for Red Rock? What would you want Red Rock to be known for?

- Head of National Marine Conservation Area (Park's Canada) – they are now in the process of selecting a head office which would bring 30 full time employees. Red Rock is the only marina directly on Lake Superior
- Home of new police station. A decision will be made soon on a new location (Red Rock/Nipigon)
- Culture – folk festival is becoming a big event as well as the fish derby
- Friendly people with pride in their community
- Beautiful scenery/quality of life
- Fully developed marina with personal facilities that could also be used for folk festival and other events
- Residential community where people commute to other centres for work – higher end homes
- 'Green' capital of Ontario
- Outdoor activities
- Something 'catchy' – similar to Nipigon i.e. Red Rock Dirt Shirt due to the red color in soil

7. Is Red rock an entrepreneurial community? Most people felt that while there are some successful businesses in Red Rock as well as a few new entrepreneurs, in general, people would prefer to be employed rather than start a business, especially in this uncertain economy.

- There is an entrepreneurial spirit, but many are cautious to open a business with such a small population
- People are not risk takers in Red Rock – they have been comfortable in working for an employer and have not developed an entrepreneurial spirit

8. Have any displaced mill workers started their own businesses? There have only been 3 or 4 businesses started as a result of employees being displaced from the mill. Most have gone elsewhere to work.

- There are individuals who have opened businesses in the area of carpentry, snow clearing, electrical, welding, pipefitting, construction
- Many people developed their skill at the mill but do not have credentials/certification to work in the same field elsewhere
- Many of these people are in their 50s and don't want to start a new business at this point

9. What do you think is unique about Red Rock?

- All the transportation advantages listed in Question 1a
- Geographic location

- Access to Lake Superior
- It is a community of artisans – folk festival, artists etc
- Friendly, quaint, safe community
- There are generations of the same family living in Red Rock

10. Do you think Red Rock has or will have any environmental issues to be aware of?

- Should investigate wind energy possibilities
- Investigate feasibility of peat moss harvesting
- Don't encourage businesses that will pollute like the paper mill did
- Promote town as 'eco friendly' to new business prospects – green community
- Clean up mill area – there are a lot of contaminants there that need mitigation

APPENDIX C – SWOT Analysis

Red Rock – SWOT Analysis

A SWOT Analysis (Strengths, Weaknesses, Opportunities and Threats) was undertaken to determine the level of preparedness of the Township of Red Rock, based on historical reports, surveys and personal one-on-one interviews with various stakeholders of the Township. This analysis provides insight into the competitive advantages of the Township of Red Rock and what gaps exist that negatively affects its competitive positioning.

Strengths

Red Rock has many positive attributes which will work in its favour to re-position itself. These strengths include:

Water Access, Location and Transportation

Red Rock has a huge advantage being located on Lake Superior. Access to the waterway has tremendous business and tourism implications. In addition, Red Rock is well linked by all modes of transportation due to its strategic location.

<ul style="list-style-type: none"> Natural seaport – small boat harbour 	<ul style="list-style-type: none"> Lake Superior – excellent for water activities i.e. boating, recreational sports, fishing etc
<ul style="list-style-type: none"> Access to Trans Canada Highway 11/17 through highway 628 	<ul style="list-style-type: none"> Access to a major airport within one hour
<ul style="list-style-type: none"> Proximity to Thunder Bay – growth centre 	<ul style="list-style-type: none"> ‘Off the beaten path’ appeal
<ul style="list-style-type: none"> CP Rail lines 	<ul style="list-style-type: none"> Close to other towns with complimentary services

Development

Regulations and costs related to the development process were considered suited to good economic development procedures.

<ul style="list-style-type: none"> Tax structure reasonable 	<ul style="list-style-type: none"> Reasonable and flexible development regulations
<ul style="list-style-type: none"> Low water/sewer costs 	<ul style="list-style-type: none"> Newly updated municipal plan

Support

Professional and morale support is strong in Red Rock which is a very important factor when considering investment in a new community.

<ul style="list-style-type: none"> Supportive Council and economic development committee 	<ul style="list-style-type: none"> Community development staff
<ul style="list-style-type: none"> Good volunteer base 	<ul style="list-style-type: none"> Information transparency to local residents
<ul style="list-style-type: none"> Evidence that ex-pats would return for suitable employment 	<ul style="list-style-type: none"> Resilient local residents – loyal to community

Assets

Red Rock has some basic assets that make it attractive as a place to do business.

<ul style="list-style-type: none"> Former mill building available for tenants 	<ul style="list-style-type: none"> Multi-use recreational facility
<ul style="list-style-type: none"> Some accommodations available – hotel, lodge 	<ul style="list-style-type: none"> Good EMS services

Quality of Life

A beautiful, safe friendly community is one of the strongest strengths that Red Rock can build on.

<ul style="list-style-type: none"> Rural community – sense of community, friendly, safe 	<ul style="list-style-type: none"> Beautiful scenery
<ul style="list-style-type: none"> Good schools 	<ul style="list-style-type: none"> Low cost of housing
<ul style="list-style-type: none"> Successful events i.e. folk festival 	<ul style="list-style-type: none"> Supportive community

Weaknesses

While the Township of Red Rock has an array of strengths in the areas of quality of life, location and transportation, it also has weaknesses that can be turned into opportunities if mitigated efficiently.

Limited Assets

Red Rock has limited assets and community services to be used in attraction of new residents and businesses.

<ul style="list-style-type: none"> Underdeveloped marina 	<ul style="list-style-type: none"> Limited supply of surplus commercial/industrial buildings
<ul style="list-style-type: none"> Limited amount of available serviced/unserviced land for development 	<ul style="list-style-type: none"> Lack of youth facilities
<ul style="list-style-type: none"> Lack of highway signage 	<ul style="list-style-type: none"> Older housing stock with limited options on types of housing
<ul style="list-style-type: none"> Underutilized recreational facility – swimming pool, curling rink, function rooms 	<ul style="list-style-type: none"> Limited essential services i.e. bank, medical, gas stations
<ul style="list-style-type: none"> Water/sewer services do not extend through highway 628 	<ul style="list-style-type: none"> Lack of waterfront land to purchase/lease

Demographics

Red Rock's demographics are not strong and could be a detriment to companies looking for skilled or unskilled workers.

<ul style="list-style-type: none"> Small population with little or no growth 	<ul style="list-style-type: none"> Aging population – low numbers of youth
<ul style="list-style-type: none"> Limited evidence of entrepreneurs in the community 	<ul style="list-style-type: none"> Many skilled workers have left Red Rock for employment

Location

Although Red Rock is well positioned with transportation links, it may still fight the stigma of a remote Northern Ontario community.

<ul style="list-style-type: none"> Considered 'remote' location by some 	<ul style="list-style-type: none"> Distance to markets
<ul style="list-style-type: none"> Not on a major highway 	<ul style="list-style-type: none"> Distance to major centre

Support

The support and confidence of local people will be paramount in any new business attraction strategy. There is evidence that some local people have taken on a defeated attitude and have lost hope of a strong economy again.

<ul style="list-style-type: none"> Lack of commitment to 'shop local' 	<ul style="list-style-type: none"> Resistance to change – decline in confidence - apathy
<ul style="list-style-type: none"> Lack of government support for northern businesses 	<ul style="list-style-type: none"> Traditional reliance on big companies for employment

Tourism

While the tourism potential is strong there are weaknesses in the tourism potential of the area.

<ul style="list-style-type: none"> Limited cultural activities 	<ul style="list-style-type: none"> Long winters – short summer tourism season
<ul style="list-style-type: none"> Lack of marketing/promotional plan for events 	<ul style="list-style-type: none"> Lack of local support for tourism initiatives by some segments of the population

Opportunities

Despite threats and weaknesses, the Township of Red Rock has some creative opportunities available to diversify the economy and create new employment and vitality in the community.

<ul style="list-style-type: none"> • Good location for shipment of goods i.e. water/rail/road 	<ul style="list-style-type: none"> • Development on highway 628
<ul style="list-style-type: none"> • Workers are skilled in manufacturing sector 	<ul style="list-style-type: none"> • Tourism potential– waterfront activities, campgrounds, trails – could be a leisure destination for US boaters and sport fishing; also winter activities i.e. snowmobile trails
<ul style="list-style-type: none"> • Existing property (former mill building) suitable for manufacturing and other industrial uses 	<ul style="list-style-type: none"> • Opportune location for Lone Eagles – sole proprietorships based on information technology
<ul style="list-style-type: none"> • Home based businesses 	<ul style="list-style-type: none"> • Potential for eco businesses – bio energy, wind, solar etc.
<ul style="list-style-type: none"> • New mill property owner – re-development of property– already has one tenant 	<ul style="list-style-type: none"> • Lake Superior National Marine Conservation Area
<ul style="list-style-type: none"> • Regional police station 	<ul style="list-style-type: none"> • Cultural events/festivals
<ul style="list-style-type: none"> • Retirement community – cottage development 	<ul style="list-style-type: none"> • Services for seniors
<ul style="list-style-type: none"> • Potential partnership with Thunder Bay Tourism 	<ul style="list-style-type: none"> • Maintain character and beautification of the town – unique small town experience
<ul style="list-style-type: none"> • Partnership opportunities with Township of Nipigon 	<ul style="list-style-type: none"> • Marina development
<ul style="list-style-type: none"> • Workforce willing to return to Red Rock 	<ul style="list-style-type: none"> • Quality of life selling feature

Threats

Red Rocks competitive disadvantages will directly affect its future development if not mitigated. Some threats are more easily dealt with while others may have a long lasting effect on the economic potential of the area.

<ul style="list-style-type: none"> • Not directly located on the TCH 	<ul style="list-style-type: none"> • Financing not readily available for development due to local economy
<ul style="list-style-type: none"> • Limited available skilled/unskilled workforce 	<ul style="list-style-type: none"> • Small and declining population
<ul style="list-style-type: none"> • People leaving due to employment elsewhere 	<ul style="list-style-type: none"> • Lack of identity – re-brand from ‘mill town’
<ul style="list-style-type: none"> • Lack of appropriately zoned, serviced land/buildings 	<ul style="list-style-type: none"> • Caution on part of locals to invest in a new business – lack of entrepreneurial spirit
<ul style="list-style-type: none"> • General overall downturn in economy 	<ul style="list-style-type: none"> • Loss of tax revenues from mill