



Wisconsin Economic Development Association Inc.

BE BOLD WISCONSIN INITIATIVE

(October, 2010)

The Wisconsin Economic Development Association (WEDA) and its partners have made it a top priority to develop and support the Be Bold Wisconsin Initiative. Be Bold's centerpiece proposals relate to creating a quasi-public entity, Accelerate Wisconsin, charged with crafting, delivering and overseeing Wisconsin's economic development strategy; and, "Wisconsin Pioneers," a private non-profit entity to provide innovation services and ensure adequate funding for Wisconsin's economic development programs and efforts.

Background – The Need for Bold Action

Over the past decades, Wisconsin has yielded its competitive advantage by neglecting to seed, nurture and cultivate new economic opportunities. The signs of Wisconsin's failure to thrive are increasingly evident:

- Wisconsin repeatedly ranks in the lower half or among the bottom states in terms of business environment.
- Per capita personal income in Wisconsin has slipped in comparison to the national average. By 2008, its income standing had fallen to No. 27, to \$37,770, nearly \$2,400 less than the national average and far below neighboring Minnesota's average of \$42,953.
- Longer-term trends in Wisconsin's per capita income growth are similarly troubling, with a ranking of No. 44 in the nation in 10-year change in per capita income.
- Wisconsin's workforce has withered by more than 178,000 jobs from December 2007 to December 2009. Nearly 76,000, or 43 percent, of those were in manufacturing.

The overall objective of *Be Bold Wisconsin* is the enactment of aggressive initiatives that would raise per capita income and create greater opportunities for Wisconsin residents. Specific goals include:

- **Wisconsin will rank among the top 10 states for starting a business by 2016**
Currently #28 in Kauffman Index of Entrepreneurial Activity
- **Wisconsin will rank among the top 10 states for expanding a business by 2016**
Currently #29 on CNBC's America's Top States for Business (July 2010)

Be Bold Wisconsin focuses on structural changes that promote a critical, coordinated approach to economic development. We also recognize that the areas that are a drag on Wisconsin's **business climate** such as tax, regulatory and litigation environment need to be addressed and improved. Improvements to Wisconsin's Business climate are essential to reaching the above stated goals and are complementary to the initiatives put forth in *Be Bold Wisconsin*.

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What is Be Bold Wisconsin?

- *Be Bold's* centerpiece proposals relate to creating a quasi-public entity, ***Accelerate Wisconsin***, charged with crafting, delivering and overseeing Wisconsin's economic development strategy; and, "***Wisconsin Pioneers***," a private non-profit entity to provide innovation services and ensure adequate funding for Wisconsin's economic development programs and efforts.

Why Accelerate Wisconsin?

- The purpose is to create an entity that is devoted exclusively to economic development and growing Wisconsin's economy.
- Accelerate Wisconsin will be a change agent, a high profile economic development champion empowered to aggressively pursue business retention, growth and attraction.
- Accelerate Wisconsin's leadership and staff will not be distracted by responsibilities not directly related to economic development.
- The Board of Accelerate Wisconsin will be a blend of public and private sector individuals whose vocation and avocation relate to growing Wisconsin's economy.
- The Board will be chaired by the Governor. It is essential that the new Governor be committed to economic development as the state's number one priority with the view toward growing the economy and creating jobs.

Other Components of Accelerate Wisconsin – Duties and Objectives

- Develop a structured, proactive business retention strategy that involves a more supportive, active partner for regional and local economic development organizations.
- Develop Early Detection and Rapid Response Team to document and predict potential closing, consolidation, and flight risks.
- Deploy a statewide "Certified" sites program with expedited permitting procedures.

Wisconsin Pioneers and Related Programs

- *Wisconsin Pioneers* is a statewide not-for-profit entity to centralize and streamline innovation programs/funding that would have two areas of focus:
 - Increased Funding & Enhanced Tools
 - Creativities/Flexibilities (e.g. Income / Sales Tax Increment, Tax Credit Portability, etc.)
- *Wisconsin pioneers* will be headed by an Executive Director and Governing Managing Commission, with an advisory board of experts in capital markets and an implementation team of former executives to embed in startups
- *Wisconsin Pioneers* will fund companies directly; help fund in-state venture firms; develop attraction incentives and, address key gaps – capital & management.
- A related Wisconsin Pioneers initiative is to implement new incentives geared toward capital-intensive and startup projects.

Economic development, job creation and growing the economy need to collectively constitute the number one priority for decision makers and all who care about our future and all who attempt to influence those policy makers for the betterment of our state.

We appreciate the excellent work of the study which formed the basis for our recommendations—**but now is the time for action.**