



Wisconsin Economic Development Association Inc.

TO: Members, Senate Economic Development, Veterans and Military Affairs Committee
Members, Assembly Jobs, Economy and Small Business Committee

FROM: Brian Doudna, President

DATE: January 13, 2011

RE: **Support for Special Session AB 6 / Special Session SB 6 Re. creation of the Wisconsin Economic Development Corporation**

The Wisconsin Economic Development Association (WEDA) strongly supports SS AB 6 / SS SB 6 relating to the creation of the Wisconsin Economic Development Corporation (WEDC). WEDA feels that by narrowing the mission and creating an accountable lead economic development entity, the Wisconsin legislature will create greater opportunities for the newly formed corporation's staff to generate and win more projects with the end goal of creating jobs that will raise per capita incomes, retain college graduates and make Wisconsin more competitive in the global economy.

In September 2009, WEDA along with Competitive Wisconsin and the Wisconsin Counties Association announced a collaborative economic development study. This study would focus on identifying methods for aligning policy, program, and organizational structures to position Wisconsin, our residents and our emerging and existing businesses for the global marketplace.

The first major recommendation from the Be Bold, the Wisconsin Competitiveness Study released on August 2nd, 2010 was to create a quasi-public organization to manage community and economic development marketing, attraction, retention, financial packaging, and international trade programs while separating the regulatory and innovation focused functions away from that entity.

Why does Wisconsin need to move in this direction?

As part of this independent economic development assessment, the Wisconsin Competitiveness Study consultants identified several key points after conducting interviews with regional economic development organizations and former Commerce leadership from both the Doyle and Thompson administrations:

- 1) Wisconsin's current lead economic development agency "role was described as more of a facilitator or enabler rather than as a single minded champion of Wisconsin's economic well-being."
- 2) "The state's efforts to seed and nurture entrepreneurship were seen as diffuse, facilitated through multiple organizations, lacking a single point of contact and yielding inconclusive results."

These references can be found on page 20 of the Be Bold – The Wisconsin Competitiveness Study.

Wisconsin's lead economic development agency needs to be focused, have flexible financial programs and truly align its service delivery systems to the needs of the customer and their industry sectors. The Wisconsin legislature has created powerful tools in recent years, which if funded and marketed properly by a lead economic development organization champion with a consistent and long-range economic development strategy can position Wisconsin for dynamic growth.

As proposed in this bill, the Wisconsin Economic Development Corporation will be the focused, streamlined, high-profile, lead economic development entity that will be able to leverage both state and private resources to aggressively promote and pursue private sector jobs and investment.

As president of the Wisconsin Economic Development Association, I want to comment on the dedicated and professional staff at the existing Wisconsin Department of Commerce. This bill and the recommendations that were discussed in the Be Bold – The Wisconsin Competitiveness Study should not be a reflection on the majority of work that is completed by this Department's staff. Former Commerce leadership and staff have been saddled with a multi-faceted organizational structure that is outdated. Even with that huge obstacle, they have advanced new policies while enhancing the flexibility of existing financial programs to improve Wisconsin's economic development performance.

In closing, WEDA strongly encourages you to support SS AB 6 and SS SB 6 and the creation of the single purpose entity as a first step to getting Wisconsin more competitive in the global marketplace. As legendary Green Bay Packers coach Vince Lombardi stated: "Success demands singleness of purpose."

Thank you for your consideration.

WEDA is a statewide organization of approximately 450 economic development professionals whose primary mission is to increase the effectiveness of individuals involved in the practice of economic development while advancing and promoting Wisconsin's economic development efforts.