

Hawthorn Foundation News: April 2011



Message From the Chairman

Mike Esser – Edward Jones

Everything is coming up roses- and Strategic Initiatives for Economic Growth!

I look forward to greeting you at our spring meeting in St Louis on April 29th! During that meeting Director Kerr will unveil the Strategic Initiative for Missouri Economic Development. The leadership of your foundation is determined to make this a living document. And so, at the meeting we will be organizing discussions on tying Hawthorn to the implementation of the plan.

One sensible step would be to involve the Missouri Partnership in helping execute the plan to foster the growth of our economy and add more jobs. Our keynote speaker, Dr. William Peck, M.D. (Director – Center for Health Policy, Washington University – St. Louis) will explain how the Strategic Initiative will greatly enhance Life Sciences as an Economic Development discipline.

The event starts at 11:00 and will conclude by 1:30. We will be having our Foundation business meeting via conference call before the luncheon on April 21st. It is our hope that this revised schedule will allow for a shorter, more enjoyable day for all attending.

I look forward to seeing you there!

Respectfully,

**Michael J. Esser, Edward Jones
Chairman**

Save the Date!

Upcoming Meetings

Board of Directors Conference Call Business meeting: April 21 at 8:30 a.m.

April 29, 2011: St. Louis Topic: The Strategic Plan for Economic Development

Special Event – Tour and Lunch: Fort Leonard Wood date: TBD June

Special Event – Tour and Lunch at Whiteman AFB, Knob Noster: date TBD July

August 26, 2011: Springfield Topic – TBD

November 4, 2011: Kansas City Topic - TBD

Missouri Partnership Update

Christopher Chung, CEO

Business Recruitment: As of the end of March 2011, the Partnership is managing a pipeline of 87 prospects and active projects, including a number of new projects that have been “opened” in the past month. The total potential economic impact represented by the pipeline includes 21,400 new jobs, \$619 million in new annual payroll, and \$3 billion in new capital investment. Forty percent of projects in the current pipeline are being represented by site selection or third-party consultants, and 26 percent represent foreign-direct investment opportunities. Projects from the advanced manufacturing, energy solutions, and financial/professional services sectors continue to make up the largest proportion of the current deal pipeline.

Marketing

The Partnership is continuing its two-fold “air campaign” and “ground campaign” marketing strategies. Under the air campaign, the Partnership has been running national advertising placements during March in the Chicago and Minneapolis markets; placements in the Atlanta and Boston markets are scheduled for April. Under the ground campaign, the Partnership hosted its annual

hospitality event for Los Angeles-based site selection consultants in March; additional consultant outreach events are scheduled for the Dallas market in April, along with overseas business development trips to the Germany and South Korea markets.

Personnel

Mr. Subash Alias will be join the Partnership on April 11th as the organization's newest Vice President of Business Recruitment. Interviews are currently being scheduled for a second Vice President of Business Recruitment position, which will be located in the Kansas City market in the long-term.

Membership Committee Report

Marilyn Bush, Chair

Our most recent membership numbers are 53 voting members of the Hawthorn Foundation Board of Directors. In addition there are 31 "friends" of Hawthorn. The membership committee continues to work toward a balanced recruitment of new members sharing our common interest in the Economic Development of Missouri.

Executive Director Report

Elizabeth Bax, Executive Director

Hawthorn Foundation Business Meeting

In order to make our luncheon day more enjoyable, Chairman Esser has decided to test the feasibility of conducting our actual business meeting by means of conference call on April 21 at 8:00 a.m. Details to follow shortly relating to the call in code and agenda.

The agenda for the call will be provided in a separate email.

The Strategic Initiative for Economic Growth

The Missouri Department of Economic Development requested assistance from the Hawthorn Foundation for the development of a Strategic Plan to leverage available assets to grow the Missouri Economy. That plan was presented to the public on April 11 includes 8 strategies and 7 targets for economic growth.

To ensure the value of that investment, the Hawthorn Foundation will be working with the Department of Economic development to move these recommendations and make this plan into a living document. Plan is built upon 8 strategies and includes 7 target sectors for business growth including:

8 Strategies:

1. Attract, retain and develop a workforce with the education and skills to succeed in a 21st century economy.
2. Support local developers in retention and expansion of existing businesses and employers
3. Optimize tax incentive and regulatory policies to best support the growth of high value target sectors.
4. Invest in technology and innovation to attract, launch, and sustain the growth companies of the future.
5. Aggressively market the state to select domestic and international audiences
6. Development of a "best in class" foreign trade initiative
7. Development of a culture that encourages small and minority business development and entrepreneurship.
8. Provision of infrastructure necessary for companies and communities to be successful.

There are 7 target industries for investment, retention and recruitment:

1. Advanced Manufacturing
2. Energy Solutions
3. Biosciences
4. Health Sciences and Services
5. Information Technology
6. Financial and Professional Services
7. Transportation and Logistics

You will find a detailed explanation in the body of the planning reports.

The Strategic Initiative for Economic Growth

[Strategic Initiative for Economic Growth « MO.gov | Official Website of the State of Missouri](#)

Target Clusters and Marketing

<http://ded.mo.gov/Strategic.aspx>

Update on Missouri Partnership Board of Directors

The Hawthorn Foundation has selected Dr. Michael Nichols as the newest member to the board of Directors for the Missouri Partnership. Dr. Nichols will add a new perspective to the economic development practices of the Board because he brings direct knowledge of emerging technologies, university owned real estate assets and the perspective of higher education. Dr. Nichols joined the Hawthorn Foundation Board of Directors in 2010. Mike replaces outgoing Board member Max Cook. Max has been extremely generous in giving his valuable time and resources to the Hawthorn Foundation. Max has served the Hawthorn Foundation as a past President and as well as being one of the original organizers of the Missouri Partnership. We are grateful to Max for all of his

valuable service to the Foundation, as well as to the people of Missouri.

Executive Summary of 2010

RESOURCE ALLOCATION

- \$254,500 Missouri Partnership
- \$87,691 Strategic Plan contract and support (total for State fiscal year from HF will be \$225,000)
- \$85,248 Meetings, Trade Mission Support, Contract Services

SIGNIFICANT ACCOMPLISHMENTS

- Full-time Executive Director Hired in February 2010 (M.A. Public Administration and Certified Economic Development Professional)
- Membership significantly increased from 41 total investors to 53 investing at Board Level (\$10,000 and over) and 31 “friends of Hawthorn”(investing under \$10,000). In addition the membership is now highly diverse including leaders in Business, Labor, Academia and not-for-profit organizations
- Missouri Partnership recruitment of new businesses resulting in 2,273 new jobs and \$113 million in new payroll and \$86 million in new investment.
- New bylaws to allow greater scope and agility for the organization

ADDITIONAL WORK

- Hawthorn provides administration for the Governor’s Conference on Economic Development
- Hawthorn will provide administration for the Civil War Celebration Activities

HAWTHORN IN 2011

- Additional resources to Strategic (Plan) Initiative contract
- Additional significant resources devoted to Trade Mission Support

- Additional opportunities for informational trips and networking for members
- Commitment from Hawthorn Foundation leadership to facilitate a “living document” status for the new Strategic (Plan) Initiative for Missouri Economic Development
- Fiscal year realignment to match the State of Missouri for administrative purposes

As always, you are welcome to contact Chairman, Mike Esser or Executive Director, Elizabeth Bax with any comments, questions or concerns

We are grateful to our members and friends actively serving economic development in Missouri



Terry Akins, IBEW #124
 Randy Allen, Jefferson City Chamber of Commerce
 Olivier Biebuyck, LaFarge
 Doug Ervin, Cerner Corporation
 Marilyn Bush, Bank of America
 Marie J. Carmichael, Missouri Development Finance Board
 Robert Clark, Clayco
 Ron Coker, Burns and McDonnell
 S. Bryan Cook, St. Louis Regional Business Council
 Max Cook, Missouri Bankers Association
 Jack Craft, Lathrop & Gage LLP
 Jim Curran, Electrical Connection-IBEW Local #1-NECA
 Frank Davis, Noranda Aluminum
 Jim Donahue, Deffenbaugh Industries, Inc.
 William H. Dunn, Jr., J.E. Dunn Construction Company, Vice-Chair
 Michael Esser, Edward Jones, Chair
 Rudolph Farber, Community Bank & Trust
 Tracy Foster, Hallmark Cards
 Gib Garrow, Neosho Chamber of Commerce, Secretary
 James W. Grice, Spencer Fane Britt & Browne
 Barry Hart, Associated Electric
 Stacy Hastie, Environmental Operations
 Byron Hill, ABC Laboratories
 Ben Jones, Union Pacific
 David Kerr, Missouri Department of Economic Development
 Greg Kindle, KCPL
 Clyde Lear, Learfield Communications
 Ken Lueckenotte, RMI
 John McClain, Exergonix
 ■ Dennis McClelland, Missouri Association of REALTORS
 Tom McDonnell, DST
 Daniel P. Mehan, Missouri Chamber of Commerce and Industry
 James Mello, Armstrong Teasdale
 Michael F. Nichols, University of Missouri System
 David Norton, Express Scripts

Rob O'Brian, Joplin Chamber of Commerce
 David Queen, Gilmore & Bell
 Tony Reinhart, Ford
 Rodger Riney, Scottrade
 Robert M. (Bob) Robuck, Central Bank and Bancompany
 Ellen Sherberg, St. Louis Business Journal
 Duane Simpson, Monsanto
 John Sondag, AT&T
 Michelle Sweeney, Ingram's Magazine
 Ray Wagner, Enterprise Rent A Car
 Randell Wallace, Lathrop and Gage, Missouri Partnership
 John Wanamaker, BKD
 Governor Roger Wilson, Missouri Employers Mutual
 Warren Wood, Ameren
 Scott Zajac, Advantage Capital Partners, Treasurer
 David Zimmerman, Sheet Metal Workers Local #36

Friends of the Hawthorn Foundation

Scott Atkins, Atkins Investments
 Ann Auer, Missouri Growth Association
 Dr. Jim Baker, Missouri State University
 J. Michael Brooks, Columbia REDI
 Troy Carlson, Initiatives, Inc.
 Linda Christie, Economic Development Sedalia-Pettis County
 Jim Clarke, City of Odessa
 Denny Coleman, St. Louis County EDC
 Steve Erdel, Boone County National Bank
 Greg Gaffke, CenturyLink
 Don Greenwell, The Builders' Association
 Karla Goldstein, Donald Danforth Plant Science Center
 Karen Grim, St. Charles County
 Gordon Ipson, Northeast Missouri Electric Power Cooperative
 John Komlos, ARCO Construction
 Tony Kreutz, SCI Engineering
 Gary Laffoon, Missouri CORE Partnership
 Cyndra Lorey, Rolla Regional Economic Commission
 Robert Marcusse, KCADC
 William McCoy, Xaxax Analytics, NP
 Chris McKee, Optimus Development

John Mehner, Cape Girardeau Chamber of Commerce
 Duane Michie, First State Bank and Trust of Caruthersville
 Mike Palmer, Empire District Electric
 John Parry, The Parry Group
 Jewell Patek, Patek and Associates
 Rosana Priviera-Biodno, Mark One Electric Company, Inc.
 Ora Reynolds, Hunt Midwest Real Estate Development, Inc.
 Myles Smith, Ozark Heritage Region
 Dean Thompson, City Utilities of Springfield
 Roger Walker, Missouri Energy Initiative

Ex-Officio

Randy Allen, Missouri Economic Development Council
 James Anderson, Springfield Area Chamber of Commerce
 Richard C.D. Fleming, St. Louis Regional Chamber and Growth Association
 Jim Heeter, Greater Kansas City Chamber of Commerce

Board of Governors

John Raines, Monsanto

Emeritus Directors

W.H. (Bert) Bates, Lathrop and Gage
 C.R. (Bob) Lock
 Hugh Zimmer, The Zimmer Companies