



Cluster Mapping and Recovery

ARDI Workshop - Tuscaloosa

December 5, 2011



EDA's mission *is to lead the federal economic development agenda by promoting innovation and competitiveness, preparing American regions for growth and success in the worldwide economy.*



PROGRAMS



Economic Adjustment



Global Competitiveness



Sustainable Economic Development



Research & Evaluation



21st Century Infrastructure



Planning



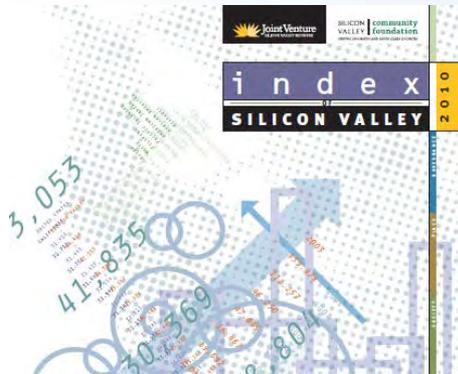
Technical Assistance



Recovery Support Function



Trade Adjustment Assistance



What is a cluster?

Geographically bounded network of similar, synergistic, or complementary entities

Characteristics

- Engaged in a particular industry sector
- Active business & communication channels
- Share specialized infrastructure, labor markets, and services
- Leverage region's unique strengths to stimulate innovation and create jobs



- **Building blocks of U.S. competitiveness**
 - Drive a high return on investment
- **Accelerated, high-wage job growth**
- **Fertile ground for high-growth entrepreneurship**
 - Cultivate business formation
 - Spur commercialization
- **Regionally-defined**
- **Urban and rural**



- ★ Advance Common Framework
- ★ Support Self-Identified, Regionally-Driven Initiatives

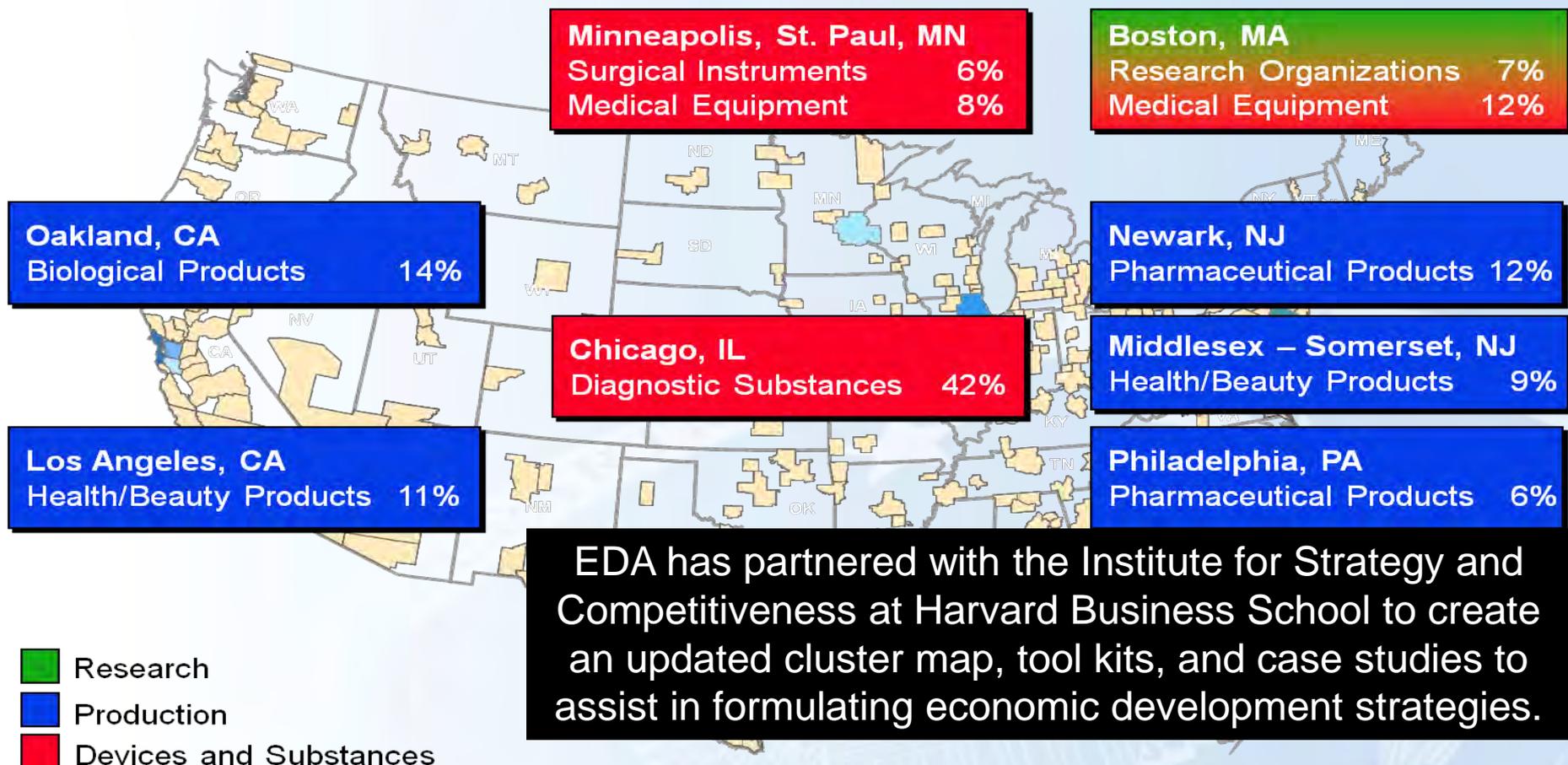


- ★ Convene Stakeholders
- ★ Share Information



- ★ Invest Smarter

Geographic Profile of Cluster Employment Leading Regions by Life Sciences Subclusters



EDA has partnered with the Institute for Strategy and Competitiveness at Harvard Business School to create an updated cluster map, tool kits, and case studies to assist in formulating economic development strategies.

- October '11 – Beta Release
- Cluster mapping database grounded in the best available academic research
- Inventory of cluster programs and a platform for economic development professionals to share their best practices
- Economic performance data at the level of regions and regional clusters in a framework for impact assessment
- Analysis capacity to better understand the combined impact of clusters and cluster programs on economic outcomes
- Easy access to the data, analysis, and information through a user-friendly website interface

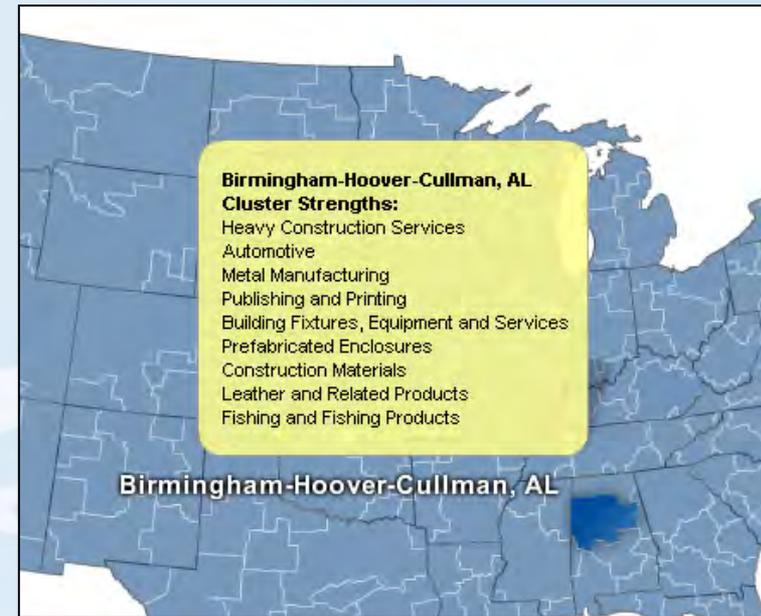


- Initiatives can register to showcase their activities and events to a wider public, search for appropriate partners across the nation, and learn from best practice examples of their peers.
- Tool will identify and connect the clusters that are driving 21st century job growth and enhance the capacity of policymakers, practitioners and industry leaders to promote economic growth.
- Over 600 organizations registered in the cluster mapping database (12 from Alabama).



Applying Cluster Mapping Data:

- Part of the assessment of a regional economy
 - Composition of the regional economy
 - Cross-regional benchmarking of strong clusters
 - Matching of regional clusters with regional business environment strengths
- Identification of potential for new clusters
 - Emerging clusters
 - Opportunities at the boundaries/intersections of clusters
- Part of the regional strategy development
 - Clusters as signals of the regional value proposition
 - Clusters as bridges to neighbors and other regions
- Impact assessment and feed-back to policies



Strong Clusters in Economic Areas, 2009

Strong Clusters have an LQ in the top 20% nationally. See Delgado-Porter-Stern 2011.

- Opportunity to take advantage of existing concentrations of industries/businesses
- Lower marginal cost with stronger concentration of specialized labor force
- Opportunity to encourage public-private partnerships to attract outside investment
- Through adequate research, able to integrate into economic development/recovery strategies
- Regionalized approaches to pre- and post-disaster economic recovery issues are key
- Geographically-based and supply chain resiliency opportunities pre- and post-disaster
- Value-added when integrated in overall economic recovery and community recovery planning

- Additional resources are available to communities for use in their economic recovery planning:
 - <http://restoreyoureconomy.org/>
 - <http://www.restorethegulf.gov/node/4476>
 - <http://www.fema.gov/business/index.shtm>



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