

MINNEAPOLIS- SAINT PAUL EXPORT PLAN

METRO EXPORT INITIATIVE





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M E T R O E X P O R T I N I T I A T I V E

BROOKINGS-ROCKEFELLER PROJECT
ON STATE AND METROPOLITAN INNOVATION

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EXPORT PLAN



THE EXPORT MOMENT

The “export moment” in the Minneapolis-Saint Paul region crystallized in February 2011 when the National Export Initiative was launched at a local event featuring the heads of several federal agencies substantially involved in exports. Over 375 local business, government, and economic development representatives were in attendance, indicating a strong interest in learning more about tapping international markets to drive metro growth. Many attendees learned for the first time about the significant federal and state resources to expand exports.

Following the event, local leaders began to place heightened focus on the position, assets, performance, and potential of the region's exports. They determined that the Minneapolis-Saint Paul region is already a relatively significant exporter, yet exports are not a prominent and visible part of the region's economy and are not being adequately leveraged to drive desired economic growth.

According to Brookings' "Export Nation" report, there is strong demand for the region's products and services around the world.¹ In 2010, the Minneapolis-Saint Paul region exported \$17.6 billion worth of goods and services, ranking it the 14th largest export market among U.S. metropolitan areas. These exports support over 117,155 jobs and are a key component of a diversified economy that supported the region during the worst of the U.S. recession. However, the export statistics also demonstrate that regional assets are not fully leveraged. The region ranked only 67th among the 100 largest U.S. metropolitan areas for export growth.

To maximize the job creation potential of exports, address slow export growth, and tap the clear interest from companies in pursuing exports, in May 2011, the Minnesota

Trade Office and the City of Minneapolis convened top leadership from the Minneapolis-Saint Paul region, including public officials, economic development and industry organizations, institutions of higher education, and export services providers. This unified group pursued and secured a partnership with the Brookings Institution to develop an export plan designed to increase the region's exports and fully realize our potential as a global economic engine.

In the process of defining strategies, two things suspected were confirmed: the region is asset rich but not effectively tapping these assets to increase exports. Some of the most recognized brands in the

world were founded and are headquartered in the Minneapolis-Saint Paul region—3M, Cargill, Medtronic, General Mills, among others—and yet, the region is not widely known as a global economic force. The region is also home to thousands of small and mid-sized companies that produce innovative, high-quality products and services with significant potential international demand. But the export expertise of large globally savvy businesses or their supply chains is not being used to assist others in the region in pursuing international markets. Other regional assets to more effectively deploy, described more fully below,

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include a strong concentration of foreign students attending institutions of higher education, new arrivals from abroad and their strong connections with their countries of origin, the global network of former residents, and high-quality export services and programs.

This resulting export plan seeks to enlist and maximize the Minneapolis-Saint Paul region's significant assets to spur job growth through exports and position the region for sustained growth through global markets. This is not simply an opportunity—it is an imperative. With 87 percent of market growth in the world in this century expected to occur

outside the United States, a metropolitan area or company that does not position itself today to compete in the global marketplace will fall behind.

To succeed the region will pursue an intentional and coordinated approach for outreach to companies, developing and delivering export service programs, enlisting a broad team of Minneapolis-Saint Paul region export champions, and developing a message that defines the region by its strengths and broadcasts it to the world. These actions will support metro job growth through expanded exports and position the region as a global city poised for the next era of trade.

FOOTNOTES

1. Emilia Istrate and Nick Marchio, March 2012, "Export Nation," Brookings.

MARKET ASSESSMENT

The Minneapolis-Saint Paul region is the nation's 14th largest metropolitan economy and the largest in Minnesota, accounting for 65.7 percent of the state's economy in 2010. The region's economy is driven by a unique mix of company headquarters, precision manufacturing, financial services, and health and medical technologies.

KEY FINDINGS FROM THE MARKET ASSESSMENT

➤ **The Minneapolis-Saint Paul metro area shed 112,860 jobs during the Great Recession.** Between its peak in the first quarter of 2007 and its low point in the first quarter of 2010, regional employment declined 6.2 percent.² Much of the job loss was due to a slowdown in the region's housing market. Local home prices fell by an average of 33.8 percent during the recession—a more severe decline than in other large Midwestern metropolitan areas. The metro also saw more than its share of foreclosures during and after the recession.

➤ **Despite its hard-hit housing market, the Minneapolis-Saint Paul region weathered the recession better than most metropolitan economies.** Though the region experienced heavy job losses, its labor market remained relatively healthy throughout the recession and has recovered quickly. Local unemployment peaked in June of 2009 at 8.2 percent and had fallen 2.6 percentage points to just 5.7 percent by December of 2011—a full 2.8 percentage points

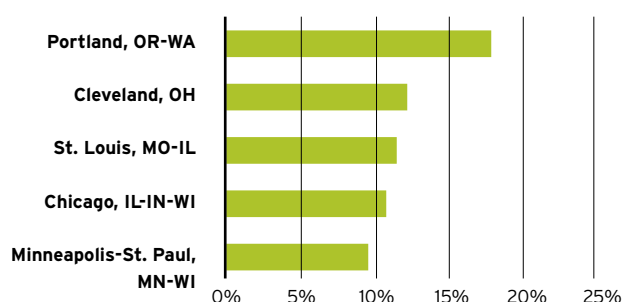
lower than the national unemployment rate. Regional output (as measured by gross metropolitan product, or GMP) has also grown at a faster rate during the recovery than in other large metropolitan areas in the Midwest and Great Lakes region.

➤ **The Minneapolis-Saint Paul region's myriad assets have made it resilient and should enable it to thrive in the next economy.** The region is home to 19 Fortune 500 companies—the greatest concentration per capita of any U.S. metropolitan area—and a number of privately-held corporations, including the largest private company in the United States. In addition to these export-intensive multinational firms, the metro area benefits from its thousands of small- and mid-sized companies that produce innovative high-quality products and services with significant potential for international demand. The region also boasts a globally-savvy workforce that is increasingly diverse and well-educated.

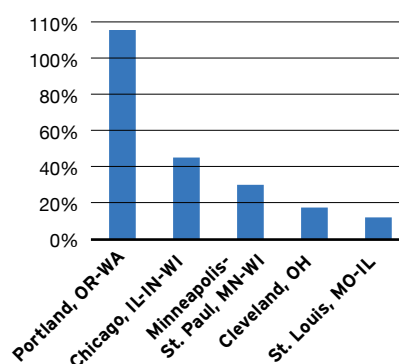
FOOTNOTES

2. Howard Wial, Siddharth Kulkarni, and Richard Shearer, December 2011, "MetroMonitor," Brookings.

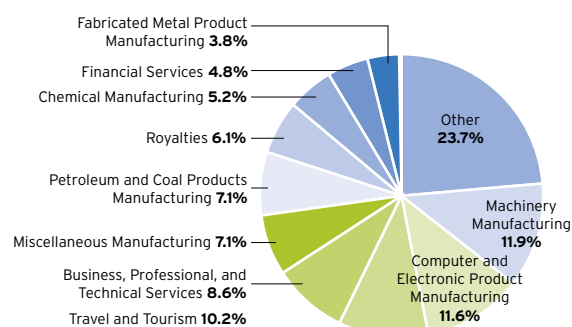
EXPORTS AS A SHARE OF OUTPUT, 2010



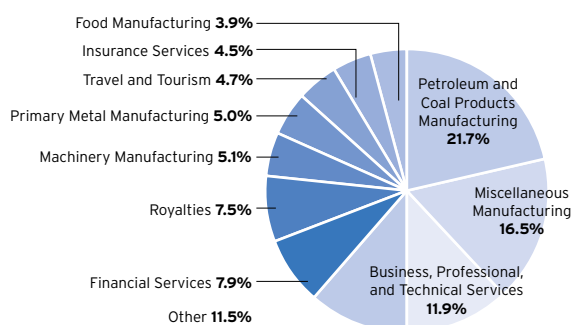
REAL EXPORT GROWTH, 2003 TO 2010



INDUSTRY SHARE OF TOTAL EXPORTS IN 2010



IND. SHARE OF EXPORT GROWTH, 2003 TO 2010



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► **These strengths have helped make the Minneapolis-Saint Paul region a large and diverse export economy.** The region exported \$17.6 billion worth of goods and services to customers and clients across the globe in 2010, making Minneapolis-Saint Paul the 14th largest metropolitan export market in the United States. These exports provided 63,242 direct jobs in the region and indirectly supported an additional 53,913 export-related jobs throughout the nation through the associated export supply chain. Over 60 percent of the region's exports came from goods exports, led by precision manufactured goods, such as machinery, computers and electronics, and medical devices, while the remainder came from service exports, such as tourism, architectural design, the education of foreign students, and legal and business consulting.

► **The region's strong export assets have not translated into a related level of export growth.**

Though the Minneapolis-Saint Paul region is a large metropolitan export market, less than 10 percent of its economy comes from exports, compared to 10.7 percent nationally. The region's export growth has

also been slow. Between 2003 and 2010, the region's exports grew from \$13.4 billion to \$17.6 billion, or 32 percent, ranking it 67th among large metropolitan areas, while exports grew by 43.2 percent nationally. Two-thirds of local export growth came from just five industries, suggesting that the region is not fully realizing the potential of its export economy.

► **The Minneapolis-Saint Paul region could drive export growth through better leveraging its diverse assets.**

While the region has significant assets and advantages to support export growth, it is not intentionally leveraging them. The export expertise of the region's globally savvy businesses and workers, for example, is not being leveraged to help smaller firms pursue international markets. Local universities hosted 6,035 international students in 2009 and nearly a tenth of the metro area population was born abroad. Yet the region does not actively enlist the skills and connections of these world citizens to boost local export activity.

► **Companies in the Minneapolis-Saint Paul region—particularly small- and mid-sized ones—are looking for individualized assistance to identify global opportunities.** Companies in the region that do not already export often cited two reasons for not doing so. Many companies were unaware of the market opportunities and resources to help them pursue exports. Others, especially very small firms, felt that the existing tools did not go far enough to assist them with market assessments and vetting partners and advocated more one-on-one consulting. In interviews, export services providers reported that, “You can publicize exports, but getting a small business that is focused primarily on domestic markets to take the next step requires someone to walk them through the process.”

► **Export services in the Minneapolis-Saint Paul region are considered to be very good and could create greater impact by developing a seamless system.** Companies often need assistance getting out of the gate to pursue exports. Fortunately, significant resources are available to local companies through federal, state, and local export service providers that offer workshops, market research, one-on-one guidance, and connections to potential global partners. Though these service providers cooperate regionally, they do not operate under a seamless system that is clear to either the providers themselves or their prospective local clients. As a result, most companies in the region find themselves on their own to muddle through attempting to expand internationally, largely unaware of the resources available to them. Only 44 percent of exporting businesses

in the region report having ever received local export assistance. However, of the companies that have used local export services, 93 percent rate them as being “good to excellent.”

► **Many companies in the Minneapolis-Saint Paul region that do currently export lack a strategic, intentional approach to identifying new international market opportunities.**

Local companies that do export often export a particular product to a single market but have not incorporated exports into their business plan or identified other growth opportunities beyond U.S. borders. Many companies became exporters accidentally in response to direct sales opportunities or through distributors in other countries. Often, the client finds the local company and not the other way around. Trade specialists at the Minnesota Trade Office and U.S. Commercial Service office tell of company visits where an owner or sales representative opens a drawer full of unanswered international inquiries about their products, reinforcing the point that most companies are not even opportunistic about exports.

Two-thirds of local export growth came from just five industries.



OBJECTIVES AND EXPECTED OUTCOMES

The overall regional directive put forth in the Minneapolis-Saint Paul Metropolitan Business Plan released in 2010 is to diversify, strengthen, and secure Minneapolis-Saint Paul's regional economy.

The Minneapolis-Saint Paul Export Initiative will support this regional plan through these key objectives:

- ❶ Increase and sustain regional jobs by doubling metro exports from 2012 to 2017
- ❷ Expand export reach, particularly among small businesses
 - a) increase the number of exporting companies; and
 - b) increase the number of markets (countries) to which local companies export
- ❸ Increase global orientation in the Minneapolis-Saint Paul region

Exports are one important component of a broader objective of increasing global economic connectedness to competitively position the Minneapolis-Saint Paul region for the next era of global trade. This objective seeks an increased emphasis on exports as a foundation for leveraging and coordinating foreign direct investment, trade relationships and networks, immigrants, international students, and other assets that serve to position the region as a truly global metropolitan area and strengthen our position in the world economy.

FOUR CORE STRATEGIES

Four core strategies have been developed to drive achievement of the stated export objectives:



STRATEGY 1: CONNECT COMPANIES TO GLOBAL OPPORTUNITIES THROUGH A UNIFIED EXPORT TEAM

This strategy addresses the barriers to exporting that companies report—lack of market knowledge, fear about securing payment and protecting intellectual property, a daunting array of logistical hurdles—by more effectively coordinating and deploying the significant export consulting resources available through several government agencies, non-profit organizations, private consultants, and company and citizen networks. The goal is to ensure that exporting companies are able to quickly and easily connect to a network of export service providers, programs, and resources to identify and assess global market opportunities for their products and services and navigate export logistics. Partnership and pooling of resources are vital, particularly in the current resource-constrained environment.

The export market assessment found that despite high quality export services and programs available locally, these services are fragmented, not well-coordinated and often reactive. Further, companies are wary of exports and their awareness of global opportunities, foreign markets, and available export programs and resources is low. If it is to increase the pipeline of export-ready companies, the region must establish proactive local outreach efforts and a more coordinated system of export services. It must also leverage the region's underutilized assets for export promotion. Local governments and regional economic development organizations, such as those represented on the steering committee, have access to, and relationships with, companies that could be effectively engaged to spur exports.

This strategy involves the following tactics:

① **Create a Clear Export “Road Map”:** Even among the most visible export service providers, such as the MTO and USCS, some companies are not aware of the resources they offer and how a company can benefit from their services. This export plan process has surfaced many other partner organizations, from universities to area chambers of commerce that promote exports and could serve as outreach partners. Private, for-profit consultants, financial and legal advisors and logistics experts are also crucial components of the regional export team.

To be truly effective, the Minneapolis-Saint Paul region must identify, coordinate, and streamline all core export programs and services, including the mission, role definition, and resources of each. The result should be a clear road map of all existing export resources and strengths at the federal, state and metro levels that would enable a company to easily navigate its way through the system, from Export 101 training to identifying a foreign distributor or making a sale overseas.

② **Identify and Address Program and Resource Gaps:** By enumerating all available export services and programs, we will be able to identify and address gaps in the system. The most obvious current gaps are:

- resources dedicated to support New to Export (NTE) and New to Market (NTM) companies and programs;
- more proactive, local company outreach to help companies become more intentional and engaged relative to exports (including outreach staff that are knowledgeable about export resources);



- greater local representation from the Export-Import Bank; an important source of export financing and export order insurance;
- comprehensive, up-to-date metropolitan export data; and
- more people and resources 'on-the-ground' in overseas markets

③ **Enlist Local "Global Assets":** The region must identify and leverage companies and individuals with connections to the global marketplace; universities and colleges; professors; foreign students; cultural chambers; immigrants; and those with language capabilities. We consider these globally-connected residents, businesses, and organizations an active component of our export outreach team and will meaningfully engage them.

④ **Enlist Minneapolis-Saint Paul Alumni:** Similarly, the Minneapolis-Saint Paul region has untapped fans out in the world—people who have spent time here working or studying and then moved abroad or back to their home country. Anecdotally, we know that these connections can be meaningful. Companies have been known to locate their North American headquarters in our region because a member of their leadership team studied or worked here, and the power of these personal connections to establish business-to-business relationships could be strong. Currently, the impact of our "MSP Alumni Association" is unknown and undirected.

⑤ **Establish an Export Business Bridge:** Enlist our corporate leaders to tap their networks and expertise. Similar to the "business bridge" created by the Itasca Project for corporate procurement to tap local suppliers, create a system that allows corporate exporters to share their knowledge and networks with smaller firms as business-to-business mentors.

STRATEGY 2: TARGET THE INTERSECTION OF LOCAL PRODUCTS AND GLOBAL DEMAND

Strategy 2 is focused on proactively and intelligently defining, targeting, and organizing regional export efforts. Initial targets have been selected based on what is now known about the intersection of economic sectors representing the region's greatest opportunities for export growth and the markets (countries) that demonstrate the greatest potential demand for locally-produced products and services. As we learn more about this nexus, we will refine and redefine these targets for concerted outreach and effort. This strategy seeks to clarify what the region is trading where, and how its strong economic sectors align with country demand, existing transportation routes, and established personal and business connections in markets around the world.

The market assessment revealed that 76.3 percent of current Minneapolis-Saint Paul region exports, and 88.5 percent of export growth from 2003 to 2010 came from just 10 local export-intensive industries. The ten leading export industry sectors include a diverse array of manufacturing (machinery; computer and electronic products; medical instruments; chemicals; and plastics) and services (business, professional and technical; travel and tourism; royalties; transportation; and financial) industries. The goal is to identify and support companies within those industries that demonstrate a high potential to either begin exporting or add new export markets.

The Minnesota Trade Office tracks the state's largest export destinations for goods by country, and has established a set of 15 target countries based on mature, next tier and emerging markets. These markets are closely reviewed on an annual basis. Together these target markets represented 65 percent of all Minnesota goods exports in 2011 and include: mature (Canada, Mexico, Germany, Japan, Korea, Australia), next tier (Vietnam, Turkey, Chile, Saudi Arabia), and emerging (Brazil, Russia, India, China, and South Africa—or "BRICS") markets. Because the metro area represents about 85 percent of the state's total exports, and since both state and federal trade efforts have developed relatively stronger resources and



connections related to these markets, these countries also serve as appropriate initial targets for this export plan. Most of these countries were also identified by companies as near-term areas for export expansion in the market assessment survey.

These core export industries and countries will serve as the initial targets for proactive marketing and planning efforts; however, the regional export service providers will be eager to work with any local company that seeks to explore new export opportunities. Additional industries and countries will be considered for more proactive marketing and trade efforts based on newly identified demand for products and services, evolving relationships and connections, growing middle class populations and associated spending, and ease of market entry.

Other core tactics of this strategy include:

- 1 Coordinate Trade Missions to, and Delegations from, Target Markets:** A variety of state and local organizations currently conduct trade and investment missions overseas and host international delegations to the Minneapolis-Saint Paul region; however, these are typically independent efforts without a clear, over-arching directive to guide the region's global outreach. This plan calls for the region to ensure a common purpose for its global visits; better coordination and

leveraging of all mission trips and delegation visits, including combining exports and foreign direct investment itineraries; and a commitment to broadly communicate plans to regional stakeholders. The Minnesota Trade Office will maintain a central calendar of pending missions and delegation visits by and to regional partners and work to coordinate efforts to maximize our interactions with international markets. The calendar will capture not only trade missions organized by metro partner organizations, but also sister city visits by and to the region's municipalities and other foreign delegation visits.

2 New to Export/ New to Market Intensive

Program: Identify and target specific New to Export and/or New to Market companies, primarily from within identified target industries, for intensive export consulting and training involving MBA students in the University of Minnesota CIBER program. The Minnesota Trade Office and U.S. Commercial Service will develop a joint program to provide intensive coursework, consulting and mentoring services to New to Export companies. This initiative will address the need for one-on-one consultation and rigorous, sustained market assessment and guidance to effectively support a New to Export firm.



STRATEGY 3: PROMOTE GLOBAL ADVANTAGES, STARTING WITH HEALTH AND WELLNESS

Strategy 3 seeks to engage much more deeply with identified local industry clusters through more intensive export marketing, starting in year one with health and wellness. This “deep dive” will focus attention on a core cluster to build from our greatest areas of strength, meaningfully engage company leaders, and learn what approaches are effective in achieving regional and company export objectives. It will also allow us to learn the dynamics, opportunities, challenges, and key players for a specific cluster. More in-depth research and knowledge will foster improved understanding of barriers to increasing exports for this cluster, particularly policy barriers like patent protection and FDA approval processes for devices and visas for medical tourists. The lessons learned will be applied to additional clusters in the future.

This strategy calls for the region to claim and reinforce its earned reputation as a global health and wellness center—homegrown Medtronic, 3M, St. Jude Medical, and the Mayo Clinic all have world prominence in the health care arena—opening doors for the hundreds of small to mid-sized firms active in this sector. The health and wellness cluster packaged for global promotion will include medical technologies, life sciences, medical tourism (health care), and the region’s high rankings for health and wellness, encompassing not only the medical products that extend lives throughout the world but a regional “living well knowledge base.”

Early focused work on the health and wellness cluster will allow us to immediately engage the corporate leaders of one of our strongest export sectors in the export initiative work. Many of these leaders have already played a role in the National Export Initiative and in reaching out to smaller firms in their supply chain. With these business leaders, we can pilot concepts like the export business bridge and facilitated mentoring (Strategy 1). This strategy will also better ensure the Minneapolis-Saint Paul region’s health and wellness cluster is more intentionally represented

and connected globally through trade fairs, missions, marketing, and public relations.

Health and life sciences is one of five target clusters identified by GREATER MSP (the regional economic development partnership) for the Minneapolis-Saint Paul region based on both existing strategic advantages and growth potential. These relate strongly to the top exporting industries and would be candidates for subsequent global advantage deep dives. The four other clusters identified by GREATER MSP are corporate headquarters and business services, food and agribusiness, innovation and technology, and financial services.

The cluster focus defined as Strategy 3 will not be at the expense of assistance to companies in all fields seeking export guidance, or a detriment to the work to target opportunities (Strategy 2) where contacts, products, and market opportunity intersect. We will charge ahead with both. Moreover, health and wellness is not the export brand, simply one strategy for early focused attention to build from strength and learn from a deeper engagement within a targeted cluster.

STRATEGY 4: SELL MSP TO THE WORLD

This strategy focuses on marketing the Minneapolis-Saint Paul region both internally and externally and tapping all members of our export team to sell to the world our region, sectors, workforce, and quality of life. It stresses generating awareness of the importance of global trade to long-term vitality and economic growth for our region. It also promotes broad efforts to create a more globally-oriented metro area.

1 Define and Promote the MSP Brand:

- An internal and external marketing effort will be established to create a recognizable ‘brand’ for the Minneapolis-Saint Paul region in the global market, building on the brand identity recently established by GREATER MSP. The brand will build on what we are known for and what we should be known for, based on our assets. GREATER MSP will lead a sustained public relations, communications and marketing effort that opens doors for the region and its companies in targeted overseas markets.

② Sell the MSP Brand Locally

- **Tell the Story:** Promote the region's global assets to the local market and provide consistent, broad delivery of regional company export successes and opportunities. Demonstrate and communicate the importance of global trade and investment to long-term company and regional economic success. Promotion will take many forms to effectuate a culture change: through media features pitched by GREATER MSP and the Minnesota Trade Office, through events that celebrate export successes, e-newsletters and other materials developed by business membership organizations, and active one-on-one outreach to companies. The internal marketing efforts will inform and empower citizen and business advocates to spread the word about the Minneapolis-Saint Paul region's quality goods and services to their global contacts and encourage companies to export.
- **Regional Exports website:** Assemble and coordinate export market research from

all sources and supplement that with unique, locally-produced export data and information. Make data, information, stories, events, trade mission and delegation visit calendars and outcome highlights, and the export services provider road map available on a new Minneapolis-Saint Paul region exports website.

- **Mainstream Exports:** Elevate exports in local economic development strategies to the point it is equal in resources and focus to traditional business retention and attraction efforts. Make exports a key indicator of regional economic performance, comparable with other key economic indicators, such as the unemployment rate, housing, and job growth.
- **Increase Global Fluency:** Change the conversation regarding business, making international trade a key part of everyday regional discussion. Increase global orientation of the region through metric and global symbol signage, passport promotion, and other visible and tangible methods.

③ Sell the MSP Brand Globally

- Spread the coordinated message in every way possible—through citizen and business advocates, trade missions to target markets, hosting conferences in target sectors to introduce international company leaders firsthand to our region, and advertising and social media.

IMPLEMENTATION

The Minnesota Trade Office will continue to convene the Minneapolis-Saint Paul Export Initiative Steering Committee comprised of key regional leaders on a quarterly basis for strategic guidance, engagement in specific actions, and reporting. The Trade Office will continue to take the lead on most aspects of the export plan as we move into implementation, including further defining and tracking performance metrics and providing staff to execute many of the specific initiatives. The GreaterMSP Regional Economic Development Partnership will lead the internal and external marketing initiatives associated with Strategy Four.



PERFORMANCE METRICS

Significant, measurable outcomes, early wins, and building active engagement by business leaders will increase the sustainability of the MSP Export Initiative. Performance metrics are critical to measuring outcomes and redirecting ineffective efforts. Unfortunately, obtaining reliable, timely data for performance metrics is one of the most challenging aspects of implementing these initiatives.

Our performance metrics are tied to our three defined objectives:

- ❶ Increase and sustain regional jobs by doubling exports from 2012 to 2017.
 - Measured by using state-level data as a proxy, at least initially
- ❷ Expand export reach: a) increase the number of exporting companies; and b) increase the number of markets (countries) to which local companies export.
 - Measured by annual company surveys
 - Tracked by the Minnesota Trade Office and the MSP Export Initiative Steering Committee
- ❸ Increase global orientation and fluency in the Minneapolis-Saint Paul region.
 - Metrics may include numbers of passport holders in the metro, numbers of international students attending institutions of higher education, interest in joining trade missions, etc. This objective and its metrics will be significantly influenced by the Brookings Institution's pending work on defining globally connected cities and their traits.

Performance metrics for the Minneapolis-Saint Paul export initiative will also include implementation steps related to each of the key strategies such as developing the export services road map, a clear system of referrals, the export website, and analyzing and defining target sectors and geographies—everything we must build or coordinate to achieve long-term success. Customer service surveys will also be used to assess the effectiveness of the region's export services.

POLICY SUMMARY

A separate policy memo has been prepared for an audience of federal officials to articulate the multi-agency commitment, coordination and resources we believe are necessary to effectively implement the Minneapolis-Saint Paul Export Initiative and achieve the goals of the National Export Initiative. In developing this metropolitan export plan, the following policy-related barriers to effectively expanding exports in the Minneapolis-Saint Paul region were identified:

➤ **Sustained Support for Export Service Provider**

Capacity—The successful implementation of this plan for the region will not be possible without sustained support for the U.S. Commercial Service, Minnesota Trade Office, Center for International Business Education and Research (CIBER), Small Business Administration, and Export-Import Bank staffing and programs. Therefore, federal and state legislators and leaders must carefully analyze and balance budgets with strategic investments that will allow local leaders to fully realize the “export moment” for the Minneapolis-Saint Paul region.

➤ **Delays in Release of Export Data on a Local Level**—The ability to analyze export data on a local level (by ZIP code or county, for example) lags by two to three years. Timely access to this pertinent data will allow the Minneapolis-Saint Paul region to effectively track results from work on this plan.

➤ **Improvements in Federal Regulatory Approvals**—The timeframe and process for obtaining FDA and patent approvals are challenging, especially for the medical technology sector. The Minneapolis-Saint Paul region is known worldwide for our medical device cluster and the importance it has on our economy and export success. Timely approvals are needed to move this industry forward and increase exports from this sector.

➤ **Reform of Current Visa Policies**—Restrictions on visas for business visitors slow or halt critical deals for exporters in the Minneapolis-Saint Paul region.

➤ **Pursuit of Additional Free Trade Agreements**—Companies cite trade barriers as an issue and also have incurred higher costs to export products to foreign ports where the United States does not have free trade agreements. The United States needs to be more aggressive in the pursuit of these agreements, in particular, with Pacific nations that will best assist the Minneapolis-Saint Paul region in its goal of doubling exports by 2017.

➤ **Continued Support to STEP Grants**—Extend the State Trade and Export Promotion (STEP) Grant and confirm funding for the third year of the program. The STEP program provides financial and technical assistance to qualifying Minnesota small businesses with an active interest in exporting products or services to foreign markets. This would allow work to continue with New to Market companies over an extended period of time, and draw important support to the Minneapolis-Saint Paul Export Initiative.

EXPORT PLAN DEVELOPMENT

The MSP metro export plan was developed by a steering committee comprised of the top leadership of the following regional coalition organizations:

- City of Minneapolis /Office of Minneapolis Mayor R.T. Rybak (co-lead)
- Minnesota Trade Office (co-lead)
- Carlson School of Management, University of Minnesota
- Center for International Business and Education Research (CIBER)
- City of Saint Paul
- Enterprise Minnesota
- GREATER MSP
- Itasca Project
- Lifescience Alley/BioBusiness Alliance
- Midwest Global Trade Association
- Minnesota Chamber of Commerce/Grow Minnesota!
- Minnesota Department of Agriculture
- Minnesota Dept of Employment & Economic Development
- Minnesota High Tech Association
- Office of Governor Mark Dayton
- Office of Edina Mayor James Hovland
- Office of Saint Paul Mayor Christopher Coleman
- U.S. Commercial Service - Minneapolis
- U.S. Small Business Administration
- Urban Land Institute Minnesota

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ACKNOWLEDGMENTS

The Brookings Metropolitan Policy Program thanks the Rockefeller Foundation for support of this work. The program additionally thanks Steve Denning for his support of our work reinventing the practice of metropolitan economic development.

Brookings also thanks the Metropolitan Leadership Council—a bipartisan network of individual, corporate, and philanthropic investors that provide it financial support but, more importantly, are true intellectual and strategic partners. While many of these leaders act globally, they retain a commitment to the vitality of their local and regional communities, a rare blend that makes their engagement even more valuable.

ABOUT THE BROOKINGS-ROCKEFELLER PROJECT ON STATE AND METROPOLITAN INNOVATION

States and metropolitan areas will be the hubs of policy innovation in the United States and the places that lay the groundwork for the next economy. The Brookings-Rockefeller Project on State and Metropolitan Innovation will present fiscally responsible ideas state leaders can use to create an economy that is driven by exports, powered by low carbon, fueled by innovation, rich with opportunity and led by metropolitan areas. Part of the Brookings-Rockefeller Project on State and Metropolitan Innovation, the Brookings Metropolitan Export Initiative (MEI) is a ground-up collaborative effort to help regional civic, business, and political leaders, with their states, create and implement customized Metropolitan Export Plans (MEPs), from which this summary export plan is drawn. These localized export plans will apply market intelligence to develop better targeted, integrated export-related services and strategies to help regions better connect their firms to global customers, as outlined by their individualized export goals.

ABOUT THE METROPOLITAN POLICY PROGRAM AT THE BROOKINGS INSTITUTION

Created in 1996, the Brookings Institution's Metropolitan Policy Program provides decision makers with cutting-edge research and policy ideas for improving the health and prosperity of cities and metropolitan areas including their component cities, suburbs, and rural areas. To learn more visit: www.brookings.edu/metro.

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