

STRATEGIC OPPORTUNITIES



ARIZONA  
COMMERCE  
AUTHORITY

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# Arizona Growth Fund

**Purpose:** To integrate and leverage public and private debt/equity tools in support of advancing entrepreneurial development and expansion. To provide capital access to credit worthy ventures utilizing existing funds, which have been coordinated strategically to support business growth.

- *Institutional Bank Consortium*
- *Arizona Multi-Bank*
- *SBA Loan Program / US Treasury*
- *State Bond Funds*
- *IDA Partnership Funds*
- *ACA Fund Sources*
- *Local Government Partnerships*
- *Federal Grant Programs*



# AZ Innovation Challenge

**Purpose:** Advance innovation and technology commercialization opportunities in Arizona by supporting early stage ventures in Arizona's targeted industries.

- *At \$1.5 million in funding, the Arizona Innovation Challenge was the largest business challenge in the country in FY2011*
- *Results of Arizona's 1<sup>st</sup> Innovation Challenge:*
  - *More than 100 proposals were received through a competitive bid process and evaluated by an investment committee in January 2011*
  - *Eight Arizona companies received awards between \$100k - \$250k*
- *Allocate \$1.5 million to continue the Arizona Innovation Challenge in FY2012*
  - *Grants: \$100k - \$250k per award*
  - *Launch and awards - Q1 2012*



# ACA Center for Innovation and Entrepreneurship

**OBJECTIVE:** Creation of a public/private center designed to provide access to information concerning the opportunity, resources and partnerships available to entrepreneurs desiring to introduce innovation and create a business in Arizona.

- *Offices located on the SE Corner of Van Buren and 1<sup>st</sup> Street*
- *Staffed by the ACA's small business personnel*
- *Coordinated with Arizona Small Business Association, Chambers of Commerce and private sector partners*
- *ACA and partners to provide small business creation workshops on site*
- *Center will utilize kiosks and technology easily accessible to entrepreneurs for the purpose of informing them of Arizona resources and support mechanisms for either establishing a business or expanding current operations*
- *Grand Opening: October 2011*



# California Attraction and Business Development Strategy

**Purpose:** To identify, pursue and secure business relocation as well as enhance opportunities for Arizona businesses.

- *Establish ACA offices in Los Angeles and the San Jose/Bay area*
- *Collaborate in such efforts with ASU and U of A*
  - *ACA is currently working with ASU to identify office space*
- *Engage third-party research partners as necessary*
- *Aggressively market the Arizona opportunity*
- *Enhance Arizona businesses by identifying strategic partnerships, supply chain opportunities as well as access to capital*

# Foreign Direct Investment (China)

**OBJECTIVE:** To establish a geographical presence in China to further the growth of Arizona exports and attraction of foreign investment in Arizona resulting in Arizona based jobs.

- *Research and Analysis completed*
- *Shanghai and Cheng-du determined to be target locations*
- *China currently serves as Arizona's third largest trading partner*
- *Opportunity for expanding Arizona exports unparalleled in China*
- *Virtually every competing state has a geographical presence in China*
- *Target Date: 2<sup>nd</sup> Quarter, 2012*
- *Staffing: Three ACA employees*
- *Collaboration: ASU and Sichuan American University*



# Rural Arizona Strategies

**OBJECTIVE:** To significantly focus on the support and expansion of economic development efforts throughout rural Arizona.

- *Allocation of \$2M in funding to support business creation/expansion*
- *Identification of potential investments determined in coordination with the Arizona Rural Development Board of Directors*
- *Focus on direct business development, as opposed to indirect efforts*
- *Allocation of an additional \$250K in funding for tribal related economic development efforts*
- *Creation of off-site ACA offices in Flagstaff and Tucson designed to support statewide efforts*
- *Coordinate expansion of Arizona agricultural exports to foreign markets, as well as foreign investment within rural areas*



# Arizona Marketing Strategy

**OBJECTIVE:** To create a national and international marketing program designed to inform and attract business investors/operators of how Arizona represents the most compelling business environment in the United States.

- *Allocation of funding: \$10M over five years, leveraged by private and public funds outside of ACA resources, resulting in a \$20M campaign*
- *Focus of marketing would be first and foremost centered on the Arizona Business opportunity*
- *Efforts would be strategically and geographically determined and informed by research concerning aligning Arizona assets to global appetite*
- *Marketing would highlight Arizona natural resource and quality of life assets, as well as the most pro-business environment in the country*
- *Campaign would also highlight key Arizona business leaders/success stories*
- *Anticipated Launch: Spring, 2012*





# Arizona Infrastructure Advancement

**OBJECTIVE:** To coordinate and pursue the enhancement of Arizona's transportation and utility infrastructures as a means of economic expansion.

- *Coordinate such efforts with ADOT and MAG Economic Development Committee*
- *Collaboration with Arizona Universities in research and strategy formation*
- *Identify and focus upon specific economic development outcomes*
- *ACA to serve as a significant advocate and voice in such pursuits*
- *Vice President of Infrastructure Advancement hired*



# ACA Partnership Initiatives

**OBJECTIVE:** To facilitate and leverage the strength of Arizona's economic development entities into a unified and strategic approach.

Recommendations:

- *ACA becomes a member and financial supporter of GPEC, TREO and the Arizona Chamber of Commerce*
- *Financial support would reflect the identification of strategic roles GPEC, TREO and the AZ Chamber would perform in collaboration with the ACA*
- *Budget: \$400,000*
- *Results would focus upon:*
  - *ED Partners: Coordination of ACA strategies, marketing and attraction efforts with local governments*
  - *AZ Chamber: Identification, analysis and recommendations concerning current or alternative business policy pursuits worthy of ACA support*

