

# COMPETITIVE CLUSTERS: C<sup>2</sup>

*A Public / Private Partnership*  
MONTEREY COUNTY



Welcome to the  
C2 CREATIVE & TECHNOLOGY  
CLUSTER LAUNCH  
June 24, 2008



# Agenda

- C<sup>2</sup> Project Overview
- Review challenges and opportunities
- Set goals
- Develop action initiatives, assign champions
- Next meeting date

# Competitive Clusters: C<sup>2</sup>

A Process Designed for Speed and  
Action to Enhance the  
Competitiveness of Monterey  
County's Economy

Initiated: March 2003  
County of Monterey – MCBC

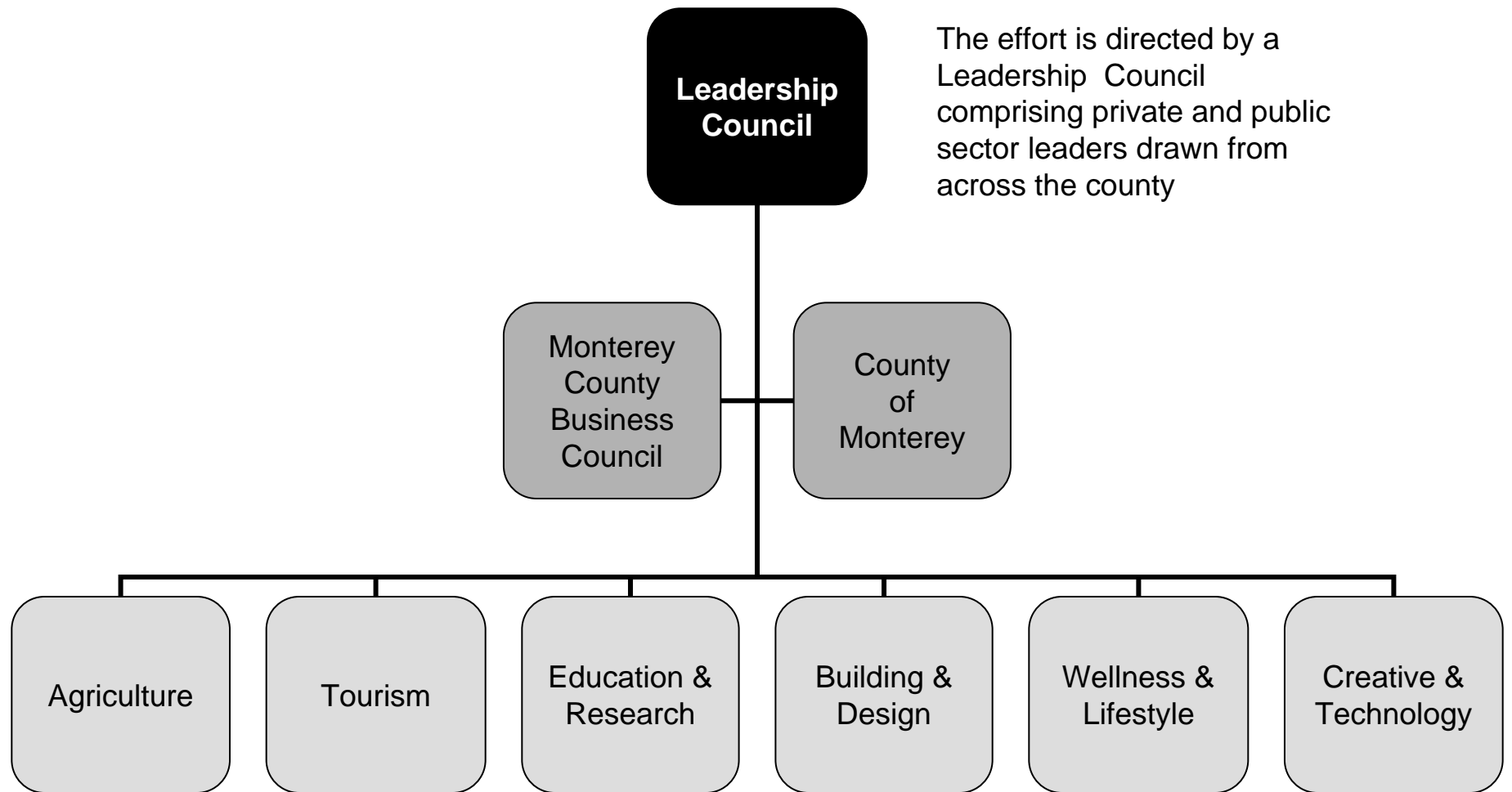
# Why COMPETITIVE Clusters?

Competitive pressures usually keep firms from sharing information and collaborating on initiatives designed to make their industry stronger.

C<sup>2</sup> is designed to bring together the firms in joint efforts to make their sectors better able to compete in the changing competitive landscape.

We stress COLLABORATION to make our region more COMPETITIVE as a whole.

# C2: Project Organization Chart

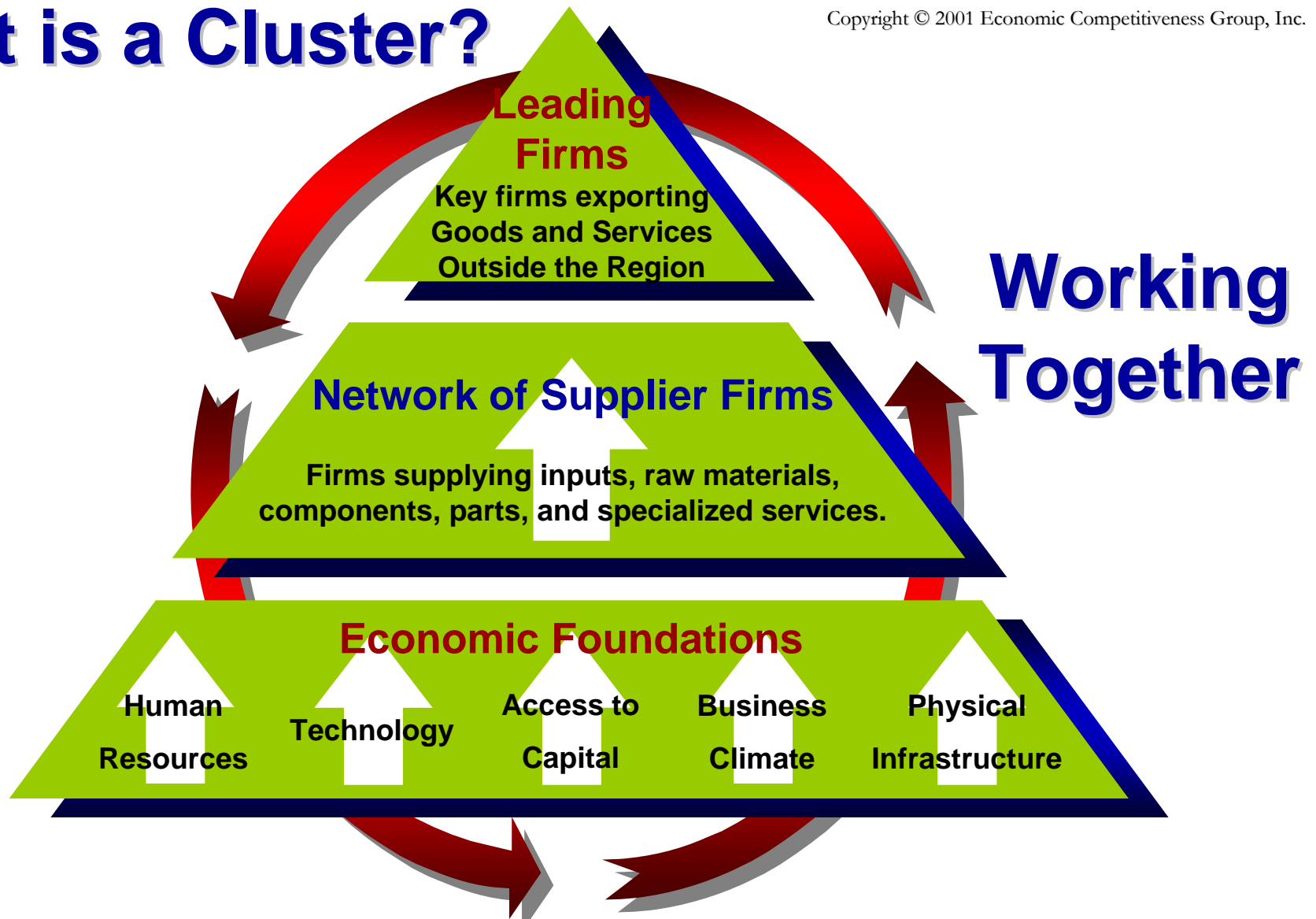


# C<sup>2</sup> Leadership Council

- **Ted Balestreri,**  
Cannery Row Company
- **Lew Bauman**  
County of Monterey
- **David Bernahl, II**  
Pacific Tweed
- **Larry Daniels**  
Daniels & House
- **Leonard Ferrari**  
Naval Postgraduate School
- **David Gill**  
Growers Express
- **Tom Greer**  
Monterey Peninsula Airport
- **Dianne Harrison**  
CSU Monterey Bay
- **Claude Hoover**  
San Bernabe Vineyards
- **Nancy Kotowski**  
Office of Education
- **Marcia McNutt**  
MBARI
- **Steve Packer**  
CHOMP
- **Leon Panetta**  
Panetta Institute
- **Mark Verbonich**  
Pebble Beach Co.
- **Clara Yu**  
MIIS

# What is a Cluster?

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# US: Local, World Class Clusters

**Minneapolis** – *food processing headquarters*

**Wichita** - *small aircraft*

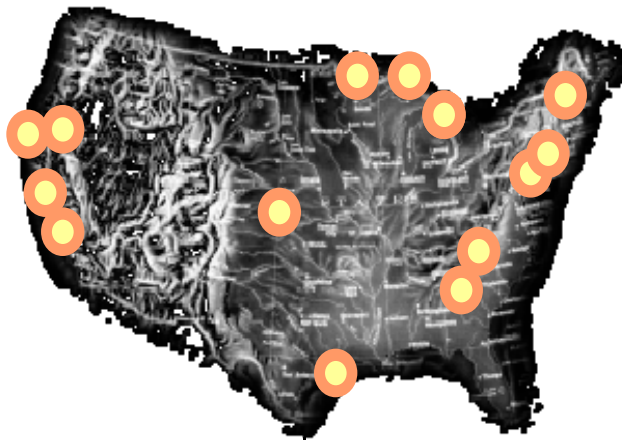
**San Francisco** – *biotechnology*

**Napa Valley** – *wine & tourism*

**Silicon Valley** - *semi conductors, telecom technologies*

**Los Angeles** - *motion pictures, military aerospace*

**Gulf Coast** - *chemicals*



**Grand Rapids** - *office furniture*

**Detroit** - *autos*

**Boston** - *medical services, medical devices, software, biotechnology*

**Hartford** - *insurance*

**New York** - *finance, advertising*

**Carolinas** - *apparel*

**Dalton** - *carpets*

**Source:** *Cluster Navigators, NZ*

## C<sup>2</sup>: Key Product

- Business plans for cluster-driven ACTIONS, including:
  - Cluster challenge to be addressed
  - Objective of the proposed action
  - Key steps necessary to implementation
  - Obstacles expected along the way
  - Resources required & committed to the initiative
  - Name of responsible person (who is the Champion)

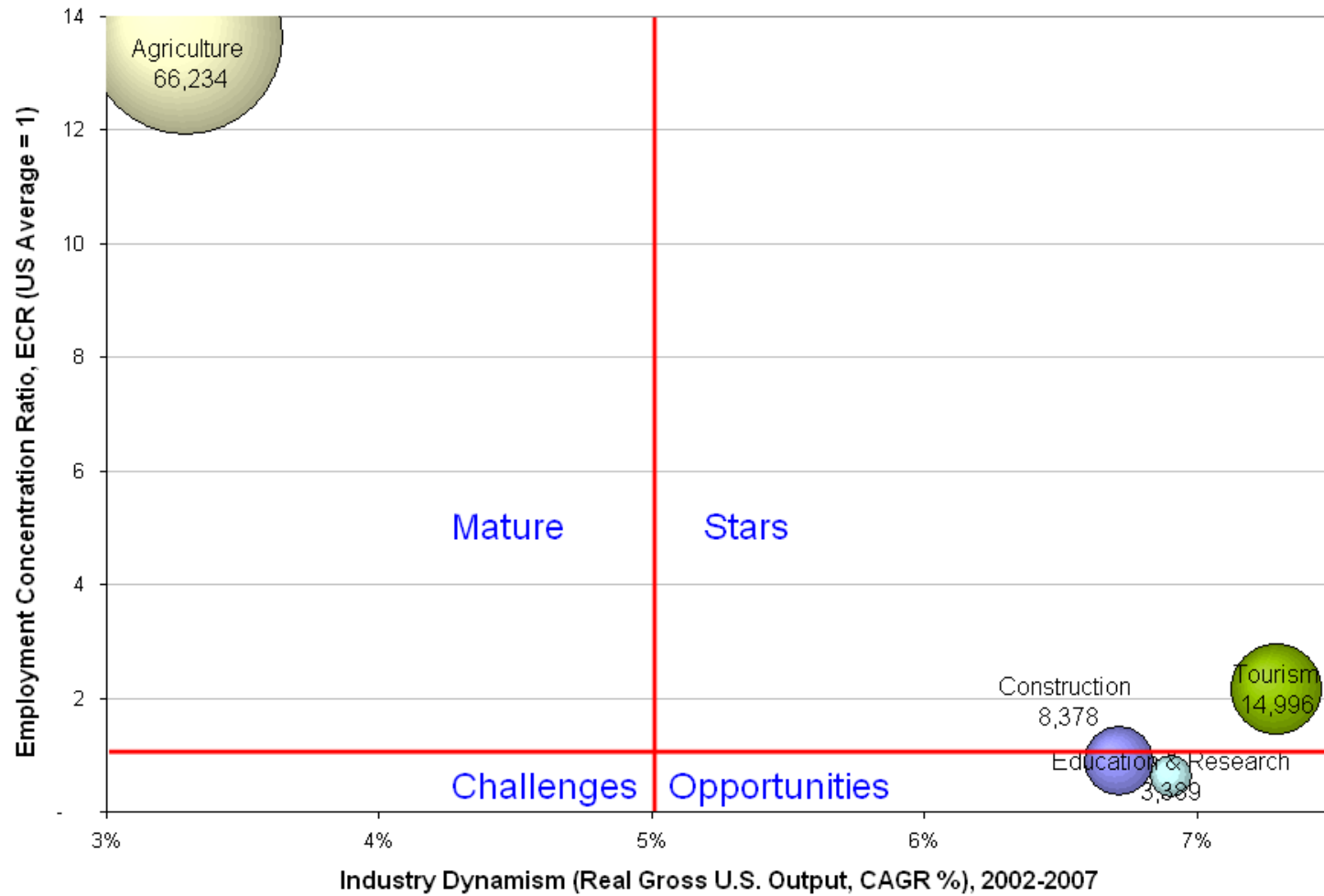
# Monterey County's Clusters

- Monterey County's clusters are either:
  - Mature and in slow-growing markets; or
  - Relatively small but in fast-growing markets
- Unique:
  - Not only Intra-Cluster linkages but also Inter-Cluster linkages formed!

# Six Clusters

- Agriculture
- Tourism
- Education & Research
- Building & Design
- Wellness & Lifestyle
- Creative & Technology

# Monterey County's Clusters



# Cluster Benchmarks

Cluster	Employment (2002)	Sales (\$ billion, 2002)	Productivity (sales/employee, 2002)	Sales Growth (US forecast 2002-07)	ECR (2002)
Agriculture	66,234	3.6	\$55,097	2.79%	13.64
Tourism	14,996	1.0	\$66,788	6.79%	2.16
Building & Design	8,378	1.2	\$139,000	6.21%	0.89
Education & Research	3,389	0.3	\$102,943	6.41%	0.62
Wellness & Lifestyle	12,769			5.15%	0.64

# Examples of Cluster Initiatives

- **Healthy Eating Lifestyles Principles (HELP)**
  - \$2.5MM funding for choosing healthy lifestyles by eating more fruits and vegetables, including potential program to place vending machines in schools with healthy options
- **Grapevine Express**
  - 4x increase in service to Carmel Valley, self-funded after 3-month pilot and \$25K loan
- **Agribusiness Program**
  - \$300K federal funding for undergraduate Ag degree, first students graduating now
- **Career Technical High Schools**
  - \$3.8MM funding for 3 school districts, 4 high school programs
- **ConnectEd**
  - Inaugural conference on Global Education attracting over 400 attendees worldwide, replacing the loss of TED, and filling conference center during tourism’s low season
- **CA Homeland Security Consortium**
  - \$2MM federal funding for pilot program to establish undergraduate program for science & technology, public policy, language and field studies through a consortium of institutes including NPS, CSUMB, MPC, UCSB, UCSC and Lawrence Livermore Labs
- **Tourism Improvement District**
  - Generating approx. \$2MM annually for marketing activities
- **Unify / Streamline Permitting Process**
  - Ongoing work with County of Monterey and cities to improve process for building permits, including solar permitting

# Business & Workforce Study 2003

County of Monterey Office of Economic Development  
Office of Employment Training  
Monterey County Business Council

*([mcbusiness.org](http://mcbusiness.org) - search for "business & workforce study")*



# Specific Findings on Tech Sector

- The high-technology sector in Monterey County is fairly small.
- The emphasis is on business services (computer services) and marine-related research.
- While these industries are projected to grow quickly over the next five years, the skills required by most of these firms require extensive postsecondary training.
- In addition, most of the firms in this sector employ relatively few people directly.

# High-Tech Numbers At-A-Glance

- Estimated numbers for technology sector in Monterey County:
  - High-tech firms: 440
  - Employees: 6,805
  - Median no. of employees: 3
  - Output: \$906.35 MM

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# Creative Monterey County

## An Action Plan

*Paulette Lynch*  
*Arts Council for Monterey County*



# Creative Monterey County

Full report on the Action Plan can be found on the Arts Council for Monterey County Web site:

[http://www.artsformontereycounty.org/file\\_depot/0-10000000/20000-30000/21257/folder/50151/Action%20Plan%202006](http://www.artsformontereycounty.org/file_depot/0-10000000/20000-30000/21257/folder/50151/Action%20Plan%202006)

(or go to [www.artsformontereycounty.org](http://www.artsformontereycounty.org) and search for "Action Plan")

# Challenges and Opportunities

Review Results of  
Two Committee Meetings



# Rules of Engagement in C<sup>2</sup>

- Competitive Clusters is a community project to sustain the economic vitality in this region.
- C2 is an open but trusted network.
- In order to justify public dollars to continue our work, we request that initiatives from Clusters give credit on press releases, Web sites, & collaterals:

“The [Project Name goes here] initiative is a project of Competitive Clusters: C<sup>2</sup> – a public/private partnership for economic development in Monterey County, sponsored by the Monterey County Office of Economic Development and the Monterey County Business Council.”

## Next Steps

- Develop action plans to support implementation of initiatives
- Regular Working Group meetings to update status

Let us know other people who should be included so we can invite them!