



CountyBIZ

Pierce County Economic Development Department

Winter 2012

Frederickson Area Construction

Pierce County Department of Public Works and Utilities continues improvements that will result in temporary road closures and detours in the Frederickson Area. For up-to-date information please go to:

www.piercecountywa.org/fredericksonarea

Business News

Change to Economic Development Division

On Tuesday, January 24th the Pierce County Council approved the change requested by the County Executive making our office a separate department of the county government. The name change to **Pierce County Economic Development Department** reflects the increased role the department is assuming. Beginning this year, in addition to providing its ongoing programs, the Department will have oversight responsibility for the Pierce County Arts Commission and the Lodging Tax Advisory Board. Denise Dyer will continue to lead the new department. No other personnel changes were made.

Pierce County would like to assess the amount of damage caused by the recent winter storms. If a specific threshold is reached at the county level, and also at the state level, certain federal programs may be made available to help the region recover. Please complete [this damage assessment form](#) to tell us about damage your business incurred. This is **NOT** an application for a loan or assistance. It is meant only to determine how much damage businesses in the community suffered.

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Pierce County Planning and Land Services (PALS) just made getting a permit in unincorporated Pierce County easier. You can now apply for a permit, upload your drawings, and pay fees in just a few clicks and minutes. Online tools make it easy to view the current status of your project, track its progress, request an inspection, display and pay applicable fees and review uploaded documents. In addition, you can also sign up for eNotification and learn when a permit status changes or when the project reaches a new milestone.

These changes save time by you not having to wait in line and not having to drive to PALS; they also save you the cost of fuel.

To see all the changes made at PALS, go to its website: www.piercecountywa.org/pals

The **Internal Revenue Service** announced that taxpayers have until April 17 to file their tax returns. Businesses can receive additional information by going to: <http://www.irs.gov/businesses/index.html?navmenu=menu1>

Washington State's Department of Labor & Industries this week launched its *Stay at Work incentive program*. It allows employers to be reimbursed for 50 percent of the base wages they paid to an injured worker and for some of the cost of training, tools or clothing a worker may need to perform light duty or transitional work. Interested employers should apply at www.StayAtWork.Lni.wa.gov.

Emergency Preparations

When recovering from an **economic disaster**, the first one back up is often the **first to make a sale!**

The U.S. Geological Survey assessed the potential effects of a magnitude 7.1 earthquake on the Tacoma Fault Zone in Pierce County.

<http://pubs.usgs.gov/fs/2010/3023/fs2010-3023.pdf>

The assessment underscores the need for companies to have continuity of operations plans should a disaster strike.

Pierce County's **Economic Development Department** and **Department of Emergency Management** work together to provide businesses with the tools necessary to enhance their ability to survive serious disruptions and continue operating.

Is your business ready? A one page self assessment questionnaire is available to help you look at your operations with an eye to staying in business should a disaster strike. Download and complete the questionnaire and discuss it with your staff. The questionnaire and contact information is found by clicking on the following link:

<http://www.co.pierce.wa.us/xml/abtus/ourorg/exec/ecd/documents/DisasterPrepAssessment.pdf>

[Public-Private Partnerships: The Manufacturing Academy](#)

In a July, 2006 report from the Brookings Institute, authors Alec Friedhoff and Howard Wial state that, "Between 1995 and 2005, the United States lost more than 3 million manufacturing jobs."

http://www.brookings.edu/reports/2006/07useconomics_wial.aspx

This offered a pretty gloomy outlook for the nation and possibly devastating scenarios for employees, their families and their communities. The loss of manufacturing knowledge was immeasurable, but it wasn't thought to matter since the jobs 'were not coming back anyway.'

Fast forward to 2011 and in an article based on a report from the Boston Consulting Group, a global management consulting firm and advisor on business strategies, we learn that: ***"China's overwhelming manufacturing cost advantage over the U.S. is shrinking fast. Within five years, [a Boston Consulting Group analysis concludes,] rising Chinese wages, higher U.S. productivity, a weaker dollar, and other factors will virtually close the cost gap between the U.S. and China for many goods consumed in North America."*** (Made in America,

Again; Sirkin, Zinser, and Hohner, Boston Consulting Group, August 2011)

The authors summarize, "As a result, we expect companies to begin building more capacity in the U.S to supply North America. The early evidence of such a shift is mounting.

- NCR moved production of its ATMs to a plant in Columbus, Georgia that will employ 870 people by 2014.
- The Coleman Company is moving production of its 16-quart wheeled plastic cooler from China to Wichita, Kansas, owing to rising Chinese manufacturing and shipping costs.
- Ford Motor Company is bringing up to 2,000 jobs back to the U.S. in the wake of a favorable agreement with the United Auto Workers that allows the company to hire new workers at \$14 an hour.
- Sleek Audio has moved production of its high-end headphones from Chinese suppliers to its plant in Manatee County, Florida.
- Peerless Industries will consolidate all manufacturing of audio-visual mounting systems in Illinois, moving work from China in order to achieve cost efficiencies, shorter lead time and local control over manufacturing processes.
- Outdoor Greatroom Company moved production of its fire pits and some outdoor shelters from China to the U.S., citing the inconvenience of having to book orders from Chinese contractors nine months in advance.

The reallocation of production is still in its early stages, but we believe it will accelerate in the years ahead," the authors state.

And in Pierce County we are very aware of The Boeing Company's decision to enhance its operations here in Washington State and the positive impact this has on manufacturing for our entire region.

To meet the challenges presented by the 'manufacturing brain drain' that resulted from loss of millions of production jobs in the past, all levels of government and many companies are working hard to mainline manufacturing education once again.

To work toward this end in Pierce County, the Manufacturing Academy was launched in December, 2011. The Academy is a workforce training and employee recruitment program designed by local employers to prepare workers for manufacturing and aerospace careers. Employers hire directly from the talent pool for positions in production, machining, and assembly. It is a 9 week, 30 credit program and is approved by local manufacturers with classes taught by industry professionals. The Academy is a collaboration of Workforce Central, the Aerospace Joint Apprenticeship Committee (AJAC), Bates Technical College

and Pierce County employers.

If you are a manufacturer, you may want to consider participating in the program. Manufacturing Academy Employers enjoy the following benefits:

- Building curriculum tailored to your workplace;
- Exclusive access to qualified graduates;
- Access to applicant recruitment, screening and retention services;
- Become a featured employer with company advertising and promotion opportunities;
- Networking opportunities with peers;
- Connection to apprenticeship system;
- Opportunities to develop competent, efficient, skilled team members, and:
- Achieve a lower cost per hire, higher employee retention, and stronger company growth

To learn more about the program contact Kristi Grassman kgrassman@workforce-central.org or call 253.254.7653

Focus on Exports

Vietnam & South Korea Trade Mission

March 18 - 30, 2012

With the passage of the Free Trade Agreement with South Korea and with rapidly increasing Vietnam-Washington trade, now might be the time for your company to expand its trade with those countries. Washington Secretary of State Sam Reed will lead a **World Trade Center Tacoma** trade mission to those two countries March 18 - 30, 2012. There will be high-level business briefings, opportunities for individualized meetings and also cultural events.

There is still a chance to sign up for this trade mission. Follow the [link](#) for additional information.

The Port of Tacoma reports is that increased exports of agriculture products helped boost the Port's full containerized export volumes by 11 percent in 2011.

Agriculture products account for more than half of the Port's full containerized exports. Leading agriculture exports through Tacoma include potatoes, hops and hay.

The Port's total container volumes reached 1,488,799 TEUs (20-foot equivalent units, the industry's standard measure), up 2 percent for 2011. Total international container volumes were up 5 percent for the year,

while total domestic container volumes (Alaska and Hawaii) were down 3 percent.

The **U.S. Commercial Service**, on February 23, 2012 at 2 p.m. (EST) is conducting a seminar outlining the realities and benefits of the recently concluded trade agreement with Columbia and Panama. This [one-hour webinar](#) is packed with information on the business climate, market opportunities and how to finance them in both Colombia and Panama. Free Trade Agreements with these countries were recently signed for good reasons: Colombia is the 3rd largest economy in Central and South America and Panama is not only a maritime and air transport hub, but an international trading, banking and services center par excellence. Senior Commercial Officers of the US Embassies in Bogotá and Panama City will pinpoint potential opportunities. Hear first-hand experience from Caterpillar Latin America offering their perspective on doing business in the region. Learn about how to finance your exports with the help of our speaker from the Export Import Bank of the United States offering suggestions on how to optimize your business deals in the region. For more information, please contact [Wanda Barquin](#) or [Linda Abbruzzese](#) at the Commercial Service.

One-Stop Export Resource Center

Responding to the Governor's call to increase the volume of goods exported and the number of Washington companies exporting, **The Washington Export Resource Center (WERC)** was created as a cooperative effort by Highline Community College, Center of Excellence of International Trade, Association of Washington Business Institute, Impact Washington and the WA Department of Commerce.

Whether you are just starting to think about exporting or looking for new ways to enter new markets, the WERC is an excellent resource. <http://waexports.com/>

E-Commerce

The Internet's global reach has made possible a cost-effective means for marketing products and services overseas. Companies that are able to establish a corporate web site, publicize their products and services, provide an electronic mechanism for safe and secure electronic transactions, feature order tracking and list a product's technical specifications can very likely apply electronic commerce to international marketing. Companies can marshal available resources to broaden market presence internationally by adopting some of these e-commerce or electronic business practices. To learn more about how an e-commerce presence can help your company grow internationally visit: <http://export.gov/sellingonline/index.asp>

Doing Business in Pierce County

In each newsletter, we are proud to showcase a company that has chosen Pierce County as its place to do business. With so many fine businesses in the County selecting one to highlight can be difficult. If you think a company should be highlighted, please contact Hans Kueck at the Economic Development Department.

Warfield Masonry, Gig Harbor, has been providing commercial and residential customers with a complete array of masonry, engineering and restorative services since 1977. To keep the business operating has proven to be quite difficult the last three years. Ben Warfield, who took over operations in 2007 from his father, Jon, has had to learn some new ways of doing things to stay competitive. Building a smarter business included working closely with John Rodenberg at the Small Business Development Center located at Bates Technical College, in Tacoma.



In a dialog with Rodenberg, Warfield said, "I got into it [masonry] because of the artistry, that and carrying on the family tradition." These discussions convinced Ben that it's not only about the bricks and mortar. Applying sound business principles to the paper shuffling and calculator side of the business can help win contracts. That doesn't mean that Warfield spends his days in the office. Running smart and running lean means he is often doing the physical work himself. However, this is not a punishment since the hands-on labor is what drew him to the business in the first place.

The company has been able to keep operating by doing quality work for commercial clients such as Sound Credit Union (*photo above*) and for the residential sector as well. (*Photo right*)

In addition, subcontracting opportunities with general contractors working on government projects, such as the National Guard Armory in Port Orchard, has enabled the company to keep its talented staff employed while also attracting experienced masons from competitors not doing so well. This has positioned the company to respond quickly when opportunities do arise. It also means there will be skilled staff able to take charge when the greater economy recovers and new construction picks up.



To learn more about Warfield Masonry go to its website: <http://warfieldmasonry.com/>

To speak with someone at the Small Business Development Center in Tacoma to see how they may be able to help your business operations go to: <http://www.wsfdc.org/>

The Economic Development Department

How do we help the business community?

Business Retention & Expansion Assistance

Business Retention and Expansion (BRE) staff member **Kevin Clegg** meets with Pierce County businesses to listen and to offer assistance. He informs businesses on State and Federal tax incentives, resources to increase manufacturing competitiveness, export assistance, government contracting opportunities and low or no-cost employee recruitment and training services. With our partners, Kevin can customize services to address issues and pursue opportunities that help businesses succeed.

Data Development & Analysis

Good data often leads to good results. **Rob Allen** is available to provide basic demographic and economic data about Pierce County. Rob can tailor information to fit your needs. Data from a wide variety of sources, including basic GIS, can be tapped into for the development of tables, reports and maps to help with business planning and expansion efforts.

Industrial and Commercial Permitting Assistance

Building codes and permitting can seem daunting. **Joe Philips** provides technical assistance to industrial and commercial projects developing in Pierce County. Joe helps businesses prepare for and navigate through the permit system from project concept through occupancy. He helps ensure the right people are brought in to resolve development issues for delivery of a successful and timely project.

Financing Assistance

Sheree Clark, the Division's loan officer, provides a variety of small business financing programs and services when projects need additional funding from government backed loans such as SBA 7(a) Loan Guarantee Programs. She provides technical assistance in areas of business planning, financial projections, and is knowledgeable about other business resources to assist start-up or established businesses.

Communication and Special Projects

Getting out the word about what we do is important. Listening to the business community is even more important! **Hans Kueck** disseminates information to businesses and other stakeholders in the County by a variety of means. He writes this newsletter, updates our website and visits with business associations throughout the County. With our partners we annually host several educational forums designed to help local companies take advantage of current programs. If you have an idea for a forum or program you think can benefit businesses in Pierce County or want to get on our mailing list, give Hans a call.

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